

**MEMORANDUM OF AGREEMENT BETWEEN THE WOONSOCKET BUDGET COMMISSION AND FORMER MEMBERS OF THE WOONSOCKET TEACHERS GUILD, LOCAL 951, AFT and RHODE ISLAND COUNCIL 94, AFL-CIO, LOCAL 1137, LOCAL 670, and PROFESSIONAL & TECHNICAL EMPLOYEES, LOCAL 3851**

This Memorandum of Agreement is between the Woonsocket Budget Commission (“WBC”) and those certain participating retirees and their spouses, survivors and beneficiaries listed on Attachment 1 and Attachment 2 hereto, who are members of two different retiree organizations, the Rhode Island AFT/R Local 8037 (representing former members of the Woonsocket Teachers Guild, Local 951, AFT) and AFSCME Rhode Island Retirees Chapter 94 (representing former members of Rhode Island Council 94, AFSCME, AFL-CIO, Locals 1137 and 670, and the Professional & Technical Employees, Local 3851) (“Retirees/Beneficiaries” or “Retiree Parties”).

The “WBC,” as used at all times in this Memorandum of Agreement, refers to the Woonsocket Budget Commission, which is established in accordance with R.I. Gen. Laws § 45-9-6, and its agents, employees and representatives, including: (1) its present and former members (2) the Director of the Rhode Island Department of Revenue, (3) any and all staff from the Department of Revenue or elsewhere who are employed, retained, or appointed to carry out the responsibilities of the WBC.

As used at all times in this Memorandum of Agreement, the “City” refers to the City of Woonsocket, a municipality of the State of Rhode Island, and the “WED,” to the Woonsocket Education Department, the school department for the City. Unless otherwise noted herein, the term “City” includes the WED.

**RECITALS**

WHEREAS, in May 2012, a chronic fiscal crisis confronting the City became so severe that the Rhode Island Director of the Department of Revenue appointed a budget commission, at

*Handwritten signatures and dates:*  
10/16/13 MEC 10/14/13 RPB 10/11/13

the request of the City Council, in accordance with R.I. Gen. Laws § 45-9-5, for the purpose of presenting a balanced budget and achieving fiscal stability in the City;

WHEREAS, after taking various immediate and short-term emergency measures, the WBC reviewed the City's finances to develop a five-year deficit reduction plan ("5-Year Plan"), under which the City could ensure continued payment of post-retirement benefits, specifically health insurance, to the Retiree Parties;

WHEREAS, on March 19, 2013, as part of the implementation of this 5-Year Plan, the WBC adopted a Resolution to Reform Pension and Post-Retirement Benefits ("Retiree Reform Resolution"), attached and incorporated herein as Exhibit A, which provided in relevant part that "[a]bsent agreement to the contrary between the Budget Commission and retiree representatives," the health insurance provided to all City and WED retirees shall change in specified ways, effective July 1, 2013;

WHEREAS, on June 28, 2013, the WBC adopted an amended Retiree Reform Resolution ("Amended Retiree Reform Resolution"), attached and incorporated herein as Exhibit B (but without the exhibits attached to that Amended Retiree Reform Resolution), part of which reflects a tentative agreement resulting from negotiations between the the WBC and the Retiree Parties;

WHEREAS, the health insurance terms and conditions provided by the City to the Retiree Parties as set forth in the collective bargaining agreements or contracts that controlled upon the Retiree Parties' dates of retirement or separation from employment are different from the health insurance terms and conditions to be provided by the City to the Retiree Parties under this Memorandum of Agreement;

WHEREAS, the Retiree Reform Resolution and the Amended Retiree Reform Resolution provide for the implementation of changes to the Retiree Parties' retirement health insurance

ALLD  
10/16/13

MEL  
10/14/13

RPL  
10/11/13

benefits, and the Retiree Parties contend that they could challenge these changes by asserting certain claims and/or invoking certain rights under state and federal law, and by seeking to compel the WBC to adhere to the terms and conditions set forth in the collective bargaining agreements or contracts that controlled upon their dates of retirement or separation from employment;

WHEREAS, if the Retiree Parties were to assert such claims or invoke such rights, the WBC would deny the validity or enforceability of such claims or rights, the result of which would be a dispute between the Parties over the changes to health insurance benefits as set forth in the Retiree Reform Resolution and Amended Retiree Reform Resolution and any subsequent amendments thereto ("Health Insurance Dispute"), which dispute would likely lead to costly and time-consuming litigation to the detriment of all Parties;

WHEREAS, the WBC and Retiree Parties desire to avoid and terminate this Health Insurance Dispute between them, including a potential action that the Retiree Parties might bring to compel the WBC to adhere to the terms and conditions of the health insurance set forth in the collective bargaining agreements or contracts that controlled upon the Retiree Parties' retirement or separation from employment, and to assure one another that no legal action will result relating to the Health Insurance Dispute;

WHEREAS, the WBC desires that the Retiree Parties discharge forever, subject to the terms set forth below, all claims, demands, liabilities and causes of action relating to the Health Insurance Dispute that the Retiree Parties may have against the WBC, and which have occurred or arisen from the beginning of time through the effective date of this Memorandum of Agreement;

3 *ald* *MCC* *RPH*  
10/16/13 10/11/13 10/11/12

WHEREAS, the Retiree Parties desire that the WBC recommends that this Memorandum of Agreement control in the event that a receiver is appointed for the City and/or a petition for bankruptcy is filed on behalf of the City under R.I. Gen. Laws § 45-9-7; and

WHEREAS, the WBC and Retiree Parties agree that this Memorandum of Agreement is the result of a compromise, reached after good faith negotiations, and that it has been reviewed by counsel of each Party's choice, and that it is not and shall never at any time, for any purpose, be considered an admission of the validity or enforceability of any claims or rights of the Retiree Parties, or of liability or unlawful conduct by the WBC;

**NOW THEREFORE**, in consideration of the mutual promises and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the WBC and Retiree Parties agree as follows:

1. Incorporation. The foregoing recitals are a part of this Memorandum of Agreement and hereby incorporated by reference.
2. Early Retirees: Effective July 1, 2013, and subject to the exceptions set forth in paragraphs 3 and 4, the existing health care coverage provided by the City to all Retirees Parties who have not reached sixty-five (65) years of age (hereafter "Early Retirees/Beneficiaries"), shall be replaced, at the election of the Early Retirees/Beneficiaries, with one of two forms of coverage, i.e.: (a) 100/80 coinsurance plan with deductible of \$500/\$1,000 (summary plan description attached as Exhibit C) (hereafter "Option 1"); or (b) 100/80 coinsurance plan with deductible of \$2,000/\$4,000 (summary plan description attached as Exhibit D) (hereafter "Option 2"). The newly elected coverage shall be one individual plan, two individual

4 *REP* *MEC* *RFB*  
10/16/13 10/24/13 10/11/13

plans, or a family plan provided in accordance with the terms of the applicable eligibility provisions of the collective bargaining agreement or contract under which the Early Retiree retired or separated from employment. The City shall pay eighty percent (80%) of the applicable and current working rate of Option 1, and the Early Retiree/Beneficiary shall pay twenty percent (20%) of that same working rate. The City shall pay ninety percent (90%) of the applicable and current working rate of Option 2, and the Early Retiree/Beneficiary shall pay ten percent (10%) of that same working rate.

3. Medicare: SSDI: Effective July 1, 2013, the health care coverage provided by the City to Retiree Parties who are Medicare-eligible because they are receiving federal Social Security Disability Income ("SSDI") shall end; the new coverage shall be provided through Medicare Parts A and B, with a Medicare supplement and prescription coverage as described below.

- a. The Retiree Party shall be responsible for making full payment of the monthly premium for Medicare Part B.
- b. The City shall pay 100% of the cost of the Medicare supplement ("Supplement"), and a maximum of \$212.00 per month for prescription coverage ("Prescription Benefit"), until the Retiree Party reaches sixty-five (65) years of age, at which time the Supplement and Prescription Benefit provided by the City shall end, unless the Retiree Party is otherwise entitled under the applicable collective bargaining agreement or contract to a Medicare supplement, in which case the terms of that agreement or contract shall control.

5 *MLL* *MEL* *RRE*  
10/16/13 10/11/13 10/11/13

- c. The City shall pay any penalties imposed for enrollment in Medicare by Retiree Parties on SSDI as of April 1, 2013, provided that the Retiree Party on SSDI enrolled in Medicare Part B on or before July 1, 2013.
4. Medicare: Early Retiree Spouses (WED only): Effective July 1, 2013, the health care coverage provided by the WED to the spouses of Early Retirees covered through the Early Retirees on an individual or family plan, but who are Medicare-eligible because they have reached sixty-five (65) years of age (Medicare Spouses), shall end; their new coverage shall be under Medicare, Parts A and B, with a Medicare supplement and prescription coverage, as described below.
- a. The Retiree or Medicare Spouse shall be responsible for making full payment of the monthly premium for Medicare Part B.
- b. The WED shall pay 100% of the cost of the Medicare supplement ("Supplement"), and a maximum of \$212.00 per month for the cost of prescription coverage ("Prescription Benefit"), until the Retiree reaches sixty-five (65) years of age, at which time the Supplement and Prescription Benefit provided by the WED for the Medicare Spouse shall end.
- c. The WED shall pay any penalties imposed for enrollment by Medicare Spouses as of April 1, 2013, provided that the Medicare Spouse enrolled in Medicare Part B on or before July 1, 2013.
5. Medicare Retirees (WED only): Effective July 1, 2013, the health care coverage provided by the WED to Retiree Parties who are enrolled in Medicare and who have satisfied the eligibility requirements under the applicable collective bargaining agreement or contract for receipt of the Medicare supplement, i.e., Plan 65: Medicare

MRD  
10/16/13

MREC  
10/14/13

RFB  
10/11/13

Supplement ("Plan 65"), with the Plan 65 Rx Rider offered by Blue Cross Blue Shield of Rhode Island ("Rider"), the total of which is subject to the contribution set forth in the collective bargaining agreement or contract under which they retired or separated from employment, shall receive instead Plan 65 and a prescription plan as attached as Exhibit E, with prescription co-pays of \$5/\$15/\$30, currently at a monthly cost not to exceed \$212.00 ("Plan 65/Part D"), the total of which shall remain subject to the contribution set forth in the collective bargaining agreement or contract under which they retired or separated from employment. The Retiree shall be responsible for making full payment of the monthly premium for Medicare Part B.

6. Medicare Retirees: Effective July 1, 2013, the health care coverage known as "Blue Chip Preferred" that is currently provided to Retiree Parties who are enrolled in Medicare Parts A and B, other than those to whom the terms of paragraph 5 apply, shall be replaced by Plan 65 or another plan with the same or lesser cost, in accordance with the terms of the collective bargaining agreement or contract under which the Retiree Party retired or separated from employment. The Retiree or Medicare Spouse shall be responsible for making full payment of the monthly premium for Medicare Part B.
7. Dental Coverage: The existing dental coverage provided to the Retiree Parties ("Dental Benefit Retirees"), shall continue without change until August 1, 2013, at which time the Dental Benefit Retiree shall commence sharing the cost of that coverage with the City or the WED, as follows: the City or the WED shall pay eighty percent (80%), and the Dental Benefit Retiree shall pay twenty percent (20%), of the current and applicable working rate or premium cost of the dental coverage, for an

LLP 10/14/13  
MBC 10/10/13  
RPS 10/11/13

individual or family plan, with the services covered as reflected in Exhibit F, attached hereto. This dental coverage shall continue until the Dental Benefit Retiree reaches sixty-five (65) years of age, at which time it shall end; provided that, if either the City or the Retiree Parties believe it would be beneficial to re-open negotiations for the purpose of developing a more cost-effective dental plan, then the Parties shall commence negotiations, provided that any changes to plan design and/or contribution rates shall be mutually agreeable to both Parties.

8. Payments by Retiree Parties: Any amounts payable by the Retiree Parties under the cost-sharing arrangements described in paragraphs 2 through 7 of this Memorandum of Agreement shall be due to the City in monthly installments and paid in advance by no later than the first (1<sup>st</sup>) day of each month (the "Due Date").
9. Termination of Coverage for Nonpayment: The Retiree Parties shall at all times be obligated promptly to notify the City or the WED, as applicable, of any change in the Retiree Party's mailing address. In the event that any Retiree Party fails to make timely payment of his or her installment as described in paragraph 8 of this Memorandum of Agreement, the City or the WED shall, within one calendar month after the Due Date, send written notice to the Retiree Party at the last mailing address on file with the City or the WED, demanding payment of the amount past due ("First Notice"). After the First Notice is sent by the City or the WED, if the Retiree Party should fail to make payment within two calendar months after the Due Date, in addition to payment for all subsequent installments which have come due in the interim, the City or the WED shall send a second written notice to the Retiree Party stating that the Retiree Party's insurance coverage shall be terminated, effective on

*ild* *MEE* *RPH*  
*10/16/13* *10/22/13* *10/11/13*

the date that is the 1<sup>st</sup> day of the third calendar month after the Due Date ("Second Notice"). The Retiree Party's insurance coverage shall thereafter be terminated by the City or the WED as provided in the Second Notice unless the Retiree Party tenders full payment to the City or the WED prior to the date of termination for all of the following installments:

- a) the first installment which was the subject of the First Notice;
- b) all subsequent installments which came due during the notice period; and
- c) the next applicable monthly installment, to be paid in advance as required under paragraph (8).

10. Reinstatement of Coverage after Termination for Nonpayment: In the event that a Retiree Party's insurance coverage is terminated in accordance with paragraph 9 of this Memorandum of Agreement, the Retiree Party shall thereafter and forever be deemed ineligible for medical or dental insurance coverage, as applicable, through the City or the WED unless the Retiree Party tenders full payment to the City or the WED, as described in paragraph 9 (a), (b) and (c) above, and provided that the Retiree Party remains otherwise eligible in accordance with the collective bargaining agreement or contract under which the Retiree retired or separated from employment.

The effective date of the reinstatement of coverage shall be determined as follows:

- a. If the Retiree Party experiences a Qualifying Event as defined by the insurance provider, the effective date shall be the first (1<sup>st</sup>) day of the first (1<sup>st</sup>) calendar month following the Qualifying Event; or
- b. If the Retiree Party does not experience a Qualifying Event as defined by the insurance provider, the effective date shall be the first (1<sup>st</sup>) day of the first (1<sup>st</sup>)

*Handwritten signatures and dates:*  
10/16/13    10/22/13    10/11/13  
[Signatures: MLC, RPB]

calendar month following the close of the City's next open enrollment period, which shall take place annually.

11. The Parties agree that Attachment 3 illustrates the process set forth in paragraphs 9 and 10, and should be used as a guide in implementing those provisions.
12. Voluntary Termination of Coverage: Any Retiree Party whose insurance coverage through the City or WED was not terminated for non-payment, but who elected to terminate that coverage, and who thereafter seeks to enroll or reenroll should the need arise, and who remains eligible for such coverage through the City of WED, shall be allowed to enroll or reenroll under a Qualifying Event or during open enrollment, whichever is applicable, as determined and defined by the provider.
13. Release: Subject to the exceptions listed below, the Retiree Parties, each on behalf of his or her heirs, assigns, administrators or executors, hereby release and forever discharge the WBC from any and all manner of actions, causes of action, suits, debts, accounts, contracts, claims, demands, agreements, controversies, judgments, obligations, damages and liabilities of any nature, whether now known, suspected or claimed, which each Retiree Party ever had, now has, or hereafter may have or claim to have against the WBC ("Claims"), which relate to the Health Insurance Dispute, from the beginning of time to the date of this Memorandum of Agreement. This Release includes, without limitation, a release of the Retiree Parties' right to file suit or otherwise seek restitution for any alleged violation of local, state or federal law, regulation, or ordinance relating to the Health Insurance Dispute, specifically to any claim based upon a lack of authority, breach of contract, or alleged violation of the Contract Clause under the United States or Rhode Island Constitutions. The Retiree

MLP 10/16/13 MEC 10/11/13 RPB 10/11/13

Parties intend this release to be all encompassing and to act as a full and total release of any and all Claims each may have against the WBC relating to the Health Insurance Dispute, even if not listed specifically herein. Notwithstanding anything set forth herein to the contrary, in the event that this Memorandum of Agreement is rejected in a Chapter 9 case filed by a receiver for the City appointed by the State of Rhode Island's Director of the Department of Revenue under R.I. Gen. Laws Chapter 45-9: (i) this entire Memorandum of Agreement shall be deemed rejected, including, without limitation, this release; and (ii) pursuant to the terms of Bankruptcy Code Section 365, the claim of the Retiree Parties on account of said rejection will be as of the petition date of the Chapter 9 case. In the event that the WBC breaches the terms of this Memorandum of Agreement, and a receiver has not sought to reject this Memorandum of Agreement in a Chapter 9 case, the release of claims and promises not to file any action contained herein shall be void as of the date of the breach and the Retiree Parties shall have all of their rights preserved with respect to claims arising after the date of breach; provided however, said Retiree Parties shall not have the right to make claims or file any actions seeking damages related to the period prior to the date of said breach.

14. Agreement Not to File Any Action. Provided that this Memorandum of Agreement remains in full force and effect, the Retiree Parties acknowledge and agree not to commence or prosecute, or assist in the commencement or prosecution of, or in any way to cause, permit, or advise to be commenced or prosecuted against the WBC in any action or proceeding, any demands, causes of action, obligations, damages, or liabilities related to the Health Insurance Dispute.

ALP 10/16/13  
MEC 10/22/13  
RPP 10/11/13

15. Agreement Not To Challenge Entitlement To Benefits: The WBC agrees to release any and all manner of actions, causes of action, suits, claims, demands, agreements, controversies, judgments, obligations, damages and liabilities that the WBC may have against the Retiree Parties identified in Attachments 1 and 2, who did not satisfy the requirements for receipt of post-retirement health insurance benefits contemporaneous with their separation from employment from the City or WED, but who nonetheless received health insurance benefits, provided, however, that such release cannot be used in any context at any time to establish a practice or precedent or to support a claim or defense by persons not parties to this Memorandum of Agreement, and specifically those not identified on Attachments 1 or 2, that their separation from employment from the City or WED constitutes "retirement" within the meaning of the term in the applicable collective bargaining agreement or contract. The WBC reserves all rights to terminate the health insurance benefits of those who are not parties to this Memorandum of Agreement, and specifically those not identified on Attachments 1 or 2, on the ground that they are not entitled to such benefits because they did not satisfy the eligibility requirements for receipt of post-retirement health insurance benefits at the time that they separated from employment with the City or WED,.

16. Receivership: The WBC agrees that in the event a receiver is appointed under R.I. Gen. Laws § 45-9-7, and the WBC is terminated, the Rhode Island Department of Revenue shall recommend to the receiver that the Memorandum of Agreement be controlling, as reflected in a letter of commitment by its Director, attached hereto as Exhibit G; and that if the receiver files a petition in the name of the City under

10/16/13 10/10/13 10/11/13

Chapter 9, Title 11 of the United States Code, then the Rhode Island Department of Revenue shall recommend to the Receiver that the substantive terms of this Memorandum of Agreement be incorporated into the City's so-called "pendency plan" during the pendency of the Chapter 9 bankruptcy case, and/or the City's proposed plan of debt adjustment, to the extent allowed by law.

17. Severability. If any portion of the Memorandum of Agreement is held to be invalid or unenforceable, all remaining provisions shall otherwise remain in full force and effect and be construed as if the invalid portion(s) had not been included.
18. Entire Agreement. The Memorandum of Agreement is intended by all Parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof. The Memorandum of Agreement shall supersede all prior understandings, oral and written, heretofore had between the Parties in connection with this matter.

***THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK***

MEC RPP  
10/10/13 10/11/13  
Alward  
10/18/13 pc

19. Governing Laws. The Memorandum of Agreement shall in all respects be interpreted, enforced, and governed and construed by and under the laws of the State of Rhode Island

The Woonsocket Budget Commission  
By:

Alina Dutchen

Date: 10/16/13

R.I. AFT/R Local 8037

On behalf of the members listed in Attachment 1 appended hereto.

Roger P. Boudreau

Roger Boudreau, President

Date: 10/11/13

AFSCME Rhode Island Retirees Chapter 94

On behalf of himself and the members listed in Attachment 2 appended hereto.

Michael E. Connolly

Michael Connolly, President

Date: 10/11/13

S:\docs\85\00006\00007151.DOCX

ATTACHMENT 1  
(Rhode Island AFT/R Local 8037)

1	JANICE	ANDREWS
2	GEORGE	AREES
3	JOYCE	AUDETTE
4	SHIRLEY	AYERS
5	RONALD	AYERS
6	KAROLYN	BARIL
7	EDGAR	BARIL
8	JOHN	BENETTI
9	GERARD	BERTHIAUME
10	ROMEO	BERTHIAUME
11	CELINE	BESSETTE
12	DANIEL	BESSETTE
13	SUZANNE	BLAIS
14	THOMAS	BLAIS
15	ANN	BOLDUC
16	BRIAN	BOLDUC
17	JOHN	BOUDREAU
18	JOAN	BOUDREAU
19	NATALIE	BRENNAN
20	JOHN	BRIERLEY
21	RUSSELL	BRIGGS
22	GEORGE	BRIGGS
23	MARILYN	BRIGGS
24	SHEILA	BROWN
25	DIANE	BROWN
26	PAULA	BRUNETTI
27	YVETTE	BRUNI
28	RONNIE	BRUNI
29	EILEEN	CAHILLKOUTROS
30	DENISE	CARDIN
31	JANE	CARROLL
32	JUDY	CHAMPAGNE
33	PATRICIA	CORRIVEAU
34	JANE	COTNOIR
35	JANE	CRAWLEY
36	RICHARD	CROWLEY
37	KATHLEEN	CROWLEY
38	KERRY	CURRAN
39	GEORGETTE	CURRAN
40	JOSEPH	CUTLER
41	ANTHONY	D'ACCHIOLI
42	CHRISTINE	D'ACCHIOLI
43	DAVID	DAGUANNO
44	JEAN	DAVID
45	LARRY	DIGREGORIO
46	MARYANN	DIGREGORIO

ATTACHMENT 1  
(Rhode Island AFT/R Local 8037)

47	RICHARD	DIPARDO
48	BARBARA	DIPARDO
49	DENISE	DOHERTY
50	JUNE	DONOVAN
51	RICHARD	DOUCETTE
52	JEANNE	DUBE
53	PATRICIA	DUBOIS
54	WILFRED	DUBOIS
55	SUZANNE	DUCHARME
56	PATRICIA	DURKIN
57	JUDITH	DZIKIEWICZ
58	ROBERT	DZIKIEWICZ
59	CLAUDIA	EAGAN
60	KEVIN	EAGAN
61	JUDITH	EMOND-WANNIE
62	RENE	FLEUETTE
63	RENEE	FLEUETTE
64	DARLENE	FORCIER
65	PAUL	GAGNON
66	JEANINE	GARCEAU
67	RICHARD	GARIEPY
68	OLGA	GARIEPY
69	RITA	GENTILE
70	CAROL	GOBEILLE
71	NANCY	GUGLIEMETTI
72	DONALD	HOARD
73	RACHEL	HOARD
74	MARK	HOPKINS
75	JOANNE	HOPKINS
76	PAULINE	HYNES
77	KRISTINA	JACQUES
78	KAREN	KARTEN
79	FRANK	KENDRA
80	MARK	KURTZMAN
81	JESSICA	KURTZMAN
82	SANDRA	LABARRE
83	GEORGE	LACOUTURE
84	JEANNE	LAFFERRIERE
85	CONSTANCE	LAMANSKY
86	DIANA	LAMBERT
87	BEVERLY	LAPLANTE
88	GERARD	LAPORTE
89	ELIZABETH	LAVOIE
90	DENISE	LEDUC
91	LINDA	LEMAY
92	ROGER	LEMAY

*MCC*  
*10/11/13*

*RFB*  
*10/11/13*

*RLD*  
*10/16/13*

ATTACHMENT 1  
(Rhode Island AFT/R Local 8037)

93	LINDA	LIMOGES
94	LAURA	LIVINGSTON
95	NORMAN	LOISELLE
96	MAUREEN	MACERA
97	MARGARET	MALCOLM
98	WILLIAM	MALONEY
99	JUDITH	MALONEY
100	CAROLYN	MANEY
101	BRIAN	MANEY
102	KENNETH	MARCOTTE
103	SUSAN	MARCOTTE
104	CAROLYN	MARTIN
105	ROY	MARTIN
106	AMY	MARVEL
107	KAREN	MCCARTHY
108	DANIEL	MCCARTHY
109	CHRISTI	MCCLURE
110	DORIS	MONDOUX
111	CORLIS	MONIZ
112	PETER	MONIZ
113	GEORGE	MORRIS
114	PATRICIA	MORRISON
115	PAUL	MORRISON
116	THERESE	NAULT-ELIAS
117	CAROL	OCONNELL
118	GAIL	O'ROURKE
119	DENNIS	PANU
120	MANUEL	PAPAGOLOS
121	EVELINE	PAQUETTE
122	HAROLD	PEPLER
123	LINDA	PEPLER
124	JOYCE	PICARD
125	ANNA	PRYMAK
126	KATHERINE	ROONEY
127	RICHARD	RUBRIGI
128	MARGARET	RYAN
129	LINDA	SERAFIN RICCI
130	DALE	SEWARD
131	JOAN	SEWARD
132	JEANNE	SPYRKA
133	JO-ANN	SUGDEN
134	MICHAEL	SWEENEY
135	RITA	SWEENEY
136	BRUCE	TARDIF
137	PAULINE	TARDIF
138	LUCILLE	THEROUX

*MRC*  
*10/11/13*

*RPB*  
*10/11/13*

*1010*  
*10/16/13*

ATTACHMENT 1  
(Rhode Island AFT/R Local 8037)

139	LOUISE	THORNTON
140	YVETTE	TRAHAN
141	SUZAN	TRINQUE
142	JOANNE	VINCENT
143	EDWARD	WALKER
144	KATHERINE	WALKER
145	DIANE	WOJCIK
146	JOHN	WOJCIK
147	RICHARD	ZAGRODNY
148	CLAUDETTE	ZANELLA

S:\docs\85\00006\00007078.DOCX

*MRC*  
*10/12/13*

*RPB*  
*10/11/13*

*del*  
*10/16/13*

ATTACHMENT 2  
(AFSCME Rhode Island Retirees Chapter 94)

1. MICHAEL	CONNOLLY
2. JOHN	DYNDUR
3. DIANE	DYNDUR
4. RICHARD	FORTE
5. SUSAN	MEROW
6. JOSEPH	MEROW
7. ARTHUR	LABRECQUE
8. DIANE	LABRECQUE
9. GAIL	SUROWIEC
10. EDWARD	SUROWIEC
11. GERARD	GREENOUGH
12. PAULINE	GREENOUGH
13. ALBERT	BRUNELLE
14. CAROL	BRUNELLE
15. ABDELMESSIAH	ABDELMESSIAH
16. DORIA	ABDELMESSIAH
17. KENNETH	NORDBERG
18. NANCY	BEBEAU
19. JEANNINE	DUCHARME
20. ROBERT	DUCHARME
21. RONALD	GUAY
22. SONJA	GUAY
23. JEANNINE	CORRIVEAU
24. RICHARD	CORRIVEAU
25. JERRY	SMITH
26. JANICE	SMITH
27. ROBERT	ROBIN
28. JANETTE	ROBIN
29. ROBERT	AYOTTE
30. LILLIAN	AYOTTE
31. ROBERT	AUCLAIR
32. MARY	AUCLAIR
33. EUGENE	ROBITAILLE
34. DOLORES	ROBITAILLE
35. EDWARD	ALLAIRE
36. EDGAR	PELISSIER
37. ROBERT	GENTILE
38. MURIEL	GENTILE
39. RONALD	BENOIT
40. JEANNETTE	DUPRE
41. GERTRUDE	TESSIER
42. WALTER	GOBEILLE
43. LUCILLE	GOBEILLE
44. YVETTE	EMMONS
45. RICHARD	FAZZIO
46. TERRELL	PARKER

*Mec*      *RFB*      *ldl*  
*10/24/13*      *10/11/13*      *10/16/13*

47. LENO  
48. VIOLET  
49. NORMAND  
50. RAYMOND

BRUNETTI  
BRUNETTI  
BIBEAULT  
DESCOTEAUX

MCC RPB ALD  
10/10/13 10/11/13 10/16/13

# EXHIBIT A

<i>Mec</i>	<i>RFB</i>	<i>red</i>
10/11/13	10/11/13	10/16/13

13 R 34

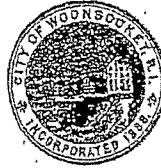
City of Woonsocket  
Rhode Island

A true copy  
Attest:

*Andrea M. Bickel*

3-21-2013

City Clerk  
Woonsocket, R.I.



MARCH 13 A.D. 2013

Resolution

RESOLUTION TO REFORM PENSION AND POST-RETIREMENT BENEFITS

- WHEREAS, The City of Woonsocket ("City") is confronting a fiscal crisis so severe that it poses an imminent danger to the safety of the citizens of the City; and
- WHEREAS, Over the past ten years, the City has attempted to resolve the chronic nature of this fiscal crisis by taking such measures as: (1) borrowing over \$100 million through issuance of pension obligation and deficit reduction bonds; (2) cutting personnel costs; (3) deferring capital expenditures; (4) closing public schools; and (4) obtaining concessions from employees; and
- WHEREAS, Despite these and other efforts, the fiscal situation confronting the City has remained so dire that the state Director of Revenue appointed a fiscal overseer, and then a budget commission, in accordance with R.I. Gen. Laws §§ 45-9-3 & 5, for the purpose of presenting a balanced budget and achieving fiscal stability in the City; and
- WHEREAS, Shortly after its appointment in May 2012, the budget commission was compelled to take immediate and short-term emergency measures to ensure that the City was able to pay its delinquent bills to vendors; and
- WHEREAS, The budget commission thereafter reviewed the City's finances to develop a five-year plan ("Baseline"); and
- WHEREAS, This Baseline, which projects City budgets from fiscal year 2013 through fiscal year 2017, shows that if nothing changes, the City will be confronting a cumulative deficit of \$105.5 million by the end of fiscal year 2017, which amount includes monies for the payment of present and future post-employment benefits other than pensions; and
- WHEREAS, Based on the actuarial valuation report for the plan year beginning on July 1, 2012, the City fire and police pension plans had an unfunded accrued liability of \$42.6 million, and therefore only fifty-seven (57%) of the amount needed to pay out projected benefits; and
- WHEREAS, If nothing changes, the pension plans will have insufficient funds to make any benefit payments to retirees within approximately eight years; and
- WHEREAS, This underfunding of the City's pension plans places them in "critical status" under R.I. Gen. Laws § 45-65-4, and requires that, under R.I. Gen. Laws § 45-65-6(2), the City submit a reasonable alternative funding improvement plan to the state study commission established under R.I. Gen. Laws § 45-65-8; and
- WHEREAS, Based on actuarial valuations of the post-retirement medical insurance plans for the City employees and retirees (including retirees from the Woonsocket Education Department), as of July 1, 2011, the plans had an unfunded accrued liability of \$200.7 million, and an annual required contribution of \$20 million; and
- WHEREAS, The City cannot make the \$20 million annual required contribution as set forth in these actuarial valuations without incurring the debt projected by the Baseline, which debt would render the City inoperable, and require appointment of a receiver under R.I. Gen. Laws § 45-9-7; and
- WHEREAS, The budget commission has proposed a five-year deficit reduction plan ("5-Year Plan"), that takes into account and ensures payment of both pension and other post-employment benefits to retirees; and
- WHEREAS, This 5-Year Plan, if implemented, will (1) enable the City to achieve a positive operating balance by the end of fiscal year 2014, and a positive fund balance (including the accounting for other

*llal*  
10/16/13

*MRC*  
10/11/13

*RFB*  
10/11/13

post-employment benefits) by fiscal year 2017; and (2) therefore restore fiscal stability to the City; and

- WHEREAS, This 5-Year Plan assumes and requires that each of the following four stakeholder groups make financial concessions and contributions to this effort, to ensure the City's fiscal stability and overall welfare: (1) taxpayers; (2) employees; (3) retirees; and (4) the state; and
- WHEREAS, The budget commission has determined that the financial contributions from each of the four stakeholder groups, in the proportions and amounts proposed in the 5-Year Plan, are both reasonable and necessary to secure the financial stability of the City; and
- WHEREAS, These financial contributions require changes to retirees' pension and health benefits, as defined in the collective bargaining agreements in effect at the time of their retirement; and
- WHEREAS, The budget commission has tailored these changes to pension and health benefits narrowly, to have the least drastic fiscal consequences for retirees, while at the same time achieving the goal of securing financial stability for the City and the City's pension plan; and
- WHEREAS, The failure of any single stakeholder group to make the concessions and contributions assumed by and set forth in the 5-Year Plan will deprive the budget commission of the ability to restore fiscal stability to the City, and require appointment of a receiver, with the power to file a petition for bankruptcy in the name of the City under Chapter 9 of Title 11 of the United States Code, as set forth in R.I. Gen. Laws § 45-9-7; and
- WHEREAS, The City Council seeks to implement that portion of the 5-Year Plan relating to retirees, effective July 1, 2013; and
- WHEREAS, R.I. Gen. Laws § 28-54-1 provides that the City may require its retirees, as a condition of receiving or continuing to receive retirement payments and health benefits, to enroll in Medicare as soon as he or she is eligible, notwithstanding the provisions of any other statute, ordinance, interest arbitration award, or collective bargaining agreement to the contrary.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOONSOCKET, RHODE ISLAND, AS FOLLOWS:

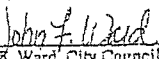
- SECTION 1. Absent agreement between the Budget Commission and retiree representatives to the contrary, effective July 1, 2013, all annual cost-of-living adjustments made to benefits paid to retirees under the City's pension plans shall be suspended.
- SECTION 2. As a condition of receiving or continuing to receive health care benefits, all individuals who have retired from City service, and their spouses, dependents, surviving spouses, or others receiving City funded health insurance by reason of a retiree's service to the City (collectively "beneficiaries"), who are eligible for but not enrolled in Medicare (collectively "Current Medicare-Eligible Retirees and Beneficiaries"), shall enroll in Medicare by no later than March 31, 2013. All health benefits currently provided by the City to Current Medicare-Eligible Retirees and Beneficiaries shall end as of June 30, 2013, except that those who retired and are eligible to receive benefits under a pre-existing collective bargaining agreement that provides Medicare Supplement Insurance shall be provided such coverage; and
- SECTION 3. As a condition of receiving or continuing to receive health care benefits, all individuals who have retired or retire from City, and their beneficiaries, who become eligible for Medicare in the future (collectively "Future Medicare-Eligible Retirees and Beneficiaries"), shall enroll in Medicare on the date upon which they become eligible. In respect of whether Future Medicare-Eligible Retirees and Beneficiaries enroll in Medicare, all health benefits provided to Future Medicare-Eligible Retirees and Beneficiaries shall end on the June 30th date that concludes the fiscal year during which they have attained eligibility, except that those who retired and are eligible to receive benefits under a pre-existing collective bargaining agreement that provides Medicare Supplement Insurance shall be provided such coverage; and
- SECTION 4. Absent agreement between the Budget Commission and retiree representatives to the contrary, the City shall pay one-hundred percent (100%) of the cost of any penalties for late enrollment in Medicare by Current Medicare-Eligible Retirees and Beneficiaries, provided they enroll by March 31, 2013, and eighty percent (80%) of the cost of Medicare supplement or gap coverage to be made available to Current and Future Medicare-Eligible Retirees and Beneficiaries, but the City shall not cover the cost of any penalties for late enrollment by Future Medicare-Eligible Retirees and Beneficiaries, or any premium payments required under Medicare, Part B (out-patient care), or elected under Medicare Part D (prescription drug plan) for Current or Future Medicare-Eligible Retirees and Beneficiaries, *provided however that:*  
Any retiree or beneficiary currently enrolled in Medicare, and receiving Medicare Supplement Insurance pursuant to the terms of a collective bargaining agreement controlling upon the retiree's retirement, will continue to receive that same Medicare Supplement Insurance without change, absent any agreement to the contrary; and  
No retiree or beneficiary shall be provided Medicare Supplement Insurance hereunder, unless the retiree has been awarded the same or better coverage pursuant to the terms of a collective bargaining agreement controlling upon the retiree's retirement; and

all  
10/16/13  
MEC  
10/22/13

10/11/13  
RPP

SECTION 5. Absent agreement to the contrary between the Budget Commission and retirees representatives, all health insurance benefits currently provided to retirees of the City (including but not limited to those formerly employed by the Woonsocket Education Department), and their beneficiaries, who are not yet eligible or who are ineligible for Medicare benefits shall change, effective July 1, 2013, to a standard health plan ("Uniform Health Plan") for all City employees and retirees and their beneficiaries, other than those eligible for Medicare, and the City shall cover eighty percent (80%) of the cost, and the retiree, twenty (20%) of the cost of such Uniform Health Plan, *provided that* those retirees who are ineligible for Medicare must provide proof of ineligibility through a written letter of denial from the federal government by no later than March 28, 2013.

SECTION 6. This Resolution shall take effect immediately upon its passage by the City Council.

  
John F. Ward, City Council President  
Per Request of Administration

IN CITY COUNCIL March 18, 2013 – Read by title, amended and passed as amended.

SECTION 3. As a condition of receiving or continuing to receive health care benefits, all individuals who have retired or retire from City, and their beneficiaries, who become eligible for Medicare in the future (collectively "Future Medicare-Eligible Retirees and Beneficiaries"), shall enroll in Medicare on the date upon which they become eligible. Irrespective of whether Future Medicare-Eligible Retirees and Beneficiaries enroll in Medicare, all health benefits provided to Future Medicare-Eligible Retirees and Beneficiaries shall end on the June 30<sup>th</sup> ~~date that concludes the fiscal year during which they have attained eligibility~~ last day of the month during which each Future Medicare-Eligible Retiree and Beneficiary first becomes eligible to receive Medicare coverage, except that those who retired and are eligible to receive benefits under a pre-existing collective bargaining agreement that provides Medicare Supplement Insurance shall be provided such coverage; and

Amended and passed by the Woonsocket Budget Commission – March 19, 2013

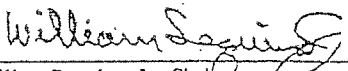
Amendments:

The third "Whereas" paragraph is amended as follows:

Despite these and other efforts, the fiscal situation confronting the City has remained so dire that the state Director of Revenue appointed a ~~fiscal overseer, and then a budget commission, at the request of the City Council,~~ in accordance with R.I. Gen. Laws §§ 45-9-3 & 5, for the purpose of presenting a balanced budget and achieving fiscal stability in the City; and


The eleventh "Whereas" paragraph is amended as follows:

The City cannot make the \$20 million annual required contribution as set forth in these actuarial valuations without incurring the ~~debt deficit~~ projected by the Baseline, which ~~debt deficit~~ would render the City inoperable, and would likely require appointment of a receiver under R.I. Gen. Laws §45-9-7; and

  
William Sequino, Jr., Chairman  
Woonsocket Budget Commission

  
10/16/13

  
10/11/13

  
10/11/13

# EXHIBIT B

klal	mec	RPK
10/16/13	10/11/13	10/11/13

City of Woonsocket Budget Commission

City Hall

169 Main Street

Woonsocket, RI 02895

---

**AMENDMENT TO WOONSOCKET BUDGET COMMISSION RESOLUTION TO  
REFORM PENSION AND POST-RETIREMENT BENEFITS**

WHEREAS, on March 19, 2013, the Woonsocket Budget Commission ("Budget Commission") enacted the Resolution To Reform Pension And Post-Retirement Benefits ("Retiree Resolution");

WHEREAS, the fiscal conditions described in the preamble to that Retiree Resolution, hereby incorporated by reference, continue to require that taxpayers, employees, retirees, and the state make financial concessions and contributions to ensure the City's fiscal stability and overall welfare, and to avert insolvency proceedings;

WHEREAS, prior to enactment of the Retiree Resolution, members of the Budget Commission and the State Department of Revenue, including its Director, convened an informational meeting with retirees on February 25, 2013 at the Woonsocket High School auditorium, at which they made a formal presentation explaining the status of the unfunded liabilities of the pension fund and the other post-employment benefits commitment, and the strategies necessary to ensure continued payments to retirees of both pensions and health insurance; and at which they distributed information to and answered questions from retirees;

WHEREAS, the Budget Commission, in cooperation with agents and employees of the

*Handwritten signatures and dates:*  
10/10/13      MEC      RPB  
10/11/13

Department of Revenue and the City, provided regular information and assistance throughout March 2013, by use of the internet, meetings, letters, and telephonic communications, to enable retirees to enroll in Medicare Part B by the federally imposed deadline of March 31, 2013, and to make informed decisions in selecting health insurance coverage that would supplement Medicare Parts A and B;

WHEREAS, the Budget Commission, at the informational meeting of February 25, 2013, and thereafter, invited retirees to designate persons and/or organizations to represent their interests and meet with representatives of the Budget Commission to discuss the proposed changes to pension and health insurance benefits set forth in the Retiree Resolution, and to negotiate alternatives to those proposals;

WHEREAS, from March 2013 to the present date, representatives of the Budget Commission have engaged in good faith negotiations with certain retirees formerly employed by the City's Fire and Police Departments meeting separately with these Fire Retirees and Police Retirees on multiple occasions from March through June, making available the City's health care consultant and insurance representative, as well as impartial State Health Insurance Program counselors to assist in explaining the proposed city-wide health care plan, and providing to them extensive documentation regarding the fiscal impact of and assumptions underlying the proposed changes to pensions and health care.

WHEREAS, from March 2013 to the present date, representatives of the Budget Commission have engaged in good faith negotiations with certain retirees formerly employed by the Woonsocket Education Department ("WED") and the City's non-public safety departments ("Participating WED and City Retirees"), meeting on nine occasions over that period, and

all MRC RPB  
10/16/13 WED 10/11/13

making available for those meetings and at separate meetings with the retirees themselves the City's health care consultant and insurance representatives for medical and dental coverage;

WHEREAS, on June 6/7, 2013 and June 21, 2013, while continuing to meet with and negotiate alternative proposals to those reflected in the Retiree Resolution, the Budget Commission notified all retirees by letter of the health insurance changes to take effect on July 1<sup>st</sup>, including options that had become available as a result of negotiations with the Participating WED and City Retirees;

WHEREAS, the Budget Commission and the Participating WED and City Retirees have reached a tentative agreement, by which they seek to modify certain provisions of the Retiree Resolution ("Tentative Agreement");

WHEREAS, this Tentative Agreement has a fiscal impact that is consistent with the five-year deficit reduction plan that will restore fiscal stability to the City;

WHEREAS, this Tentative Agreement advances the mutual goals of the City and Participating WED and City Retirees in securing financial stability for the City through means that are narrowly tailored to have the least drastic financial impact on the Participating WED and City Retirees;

WHEREAS, the Budget Commission seeks to extend this Tentative Agreement to non-Participating WED and City Retirees and some aspects of it to all Police Retirees and Fire Retirees through the instant enactment, and to come to agreement with Police and Fire Retirees through continued negotiations;

WHEREAS, the Budget Commission seeks to continue to negotiate with Participating Fire and

alal  
10/16/13 MEC  
10/21/13

RPH  
10/11/13

Police Retirees, after enactment of this Amended Resolution, in an effort to reach a settlement that is mutually acceptable to all parties;

NOW, THEREFORE, BE IT RESOLVED BY THE WOONSOCKET BUDGET COMMISSION THAT THE RETIREE RESOLUTION BE AMENDED AS FOLLOWS:

1. Definitions:

- a. "WED Retirees" refers to all former employees retired from the Woonsocket Education Department, or their beneficiaries (to include spouses, survivors, and dependents), specifically: (i) administrators who were not members of a collective bargaining unit; (ii) employees who were members of the Woonsocket Teachers Guild, Local 951 AFT (teachers and paraprofessionals); and (iii) employees who were members of Rhode Island Council 94, AFSCME, AFL-CIO, Local 1137 (clerks and custodians).
- b. "City Retirees" refers to all former employees retired from the City, or their beneficiaries (to include spouses, survivors and dependents), specifically (i) non-union classified and non-union non-classified employees; (ii) employees who were members of Rhode Island Council 94, AFSCME, AFL-CIO, Professional and Technical Employees, Local 3851; and (iii) employees who were members of Rhode Island Council 94, AFSCME, AFL-CIO, Local 670.
- c. "Fire Retirees" refers to all former employees retired from the Woonsocket Fire Department, or their beneficiaries (to include spouses, survivors and dependents), both non-union and employees who were members of

*ALL* *WEC* *RPP*  
*10/16/13* *10/14/13* *10/11/13*

International Association of Firefighters, Local 732.

- d. "Police Retirees" refers to all former employees retired from the Woonsocket Police Department, or their beneficiaries (to include spouses, survivors and dependents), both non-union employees and employees who were members of the International Brotherhood of Police Officers, Local 404.

2. Early Retirees (WED, City, Fire and Police Retirees): Effective July 1, 2013, and subject to the exceptions set forth in paragraphs 5 and 6 below, the existing health care coverage provided by the WED and the City to all retirees who have not reached sixty-five (65) years of age (hereafter "Early Retirees"), shall be replaced, at the election of the Early Retiree, with one of two forms of coverage: (a) 100/80 coinsurance plan with deductible of \$500/\$1,000 (summary plan description attached as Exhibit 1) (hereafter "Option 1"); or (b) 100/80 coinsurance plan with deductible of \$2,000/\$4,000 (summary plan description attached as Exhibit 2) (hereafter "Option 2"). The new coverage shall be one individual plan, two individual plans, or a family plan provided in accordance with the terms of the applicable eligibility provisions of the collective bargaining agreement under which the Early Retiree retired. The WED or the City shall pay eighty percent (80%) of the applicable and current working rate of Option 1, and the Early Retiree, twenty percent (20%) of that same working rate. The WED or City shall pay ninety percent (90%) of the applicable and current working rate of Option 2, and the Early Retiree, ten percent (10%) of that same working rate.
3. Medicare (Police Retirees): Effective July 1, 2013, the health care coverage provided to Police Retirees who are Medicare-eligible because they have reached sixty-five

ald 10/10/13  
MBC 10/24/13  
RPE 10/11/13

(65) years of age shall end; the new coverage shall be provided through Medicare Parts A and B, with a (i) Medicare supplement or (ii) an alternative health insurance plan that provides additional coverage to Medicare Parts A and B, at the same or lesser cost of the Medicare supplement ("Medicare Supplement").

- a. The Retiree shall be responsible for making full payment of the monthly premium for Medicare Part B.
- b. The City shall pay 80% of the cost of the Medicare Supplement, and the Retiree shall pay 20% of the cost of the Medicare Supplement.
- c. The Retiree shall be responsible for making full payment for any prescription coverage if the Medicare Supplement does not include such coverage.
- d. The City shall pay any penalties imposed for enrollment in Medicare by Police Retirees as of April 1, 2013, provided that the Retiree enrolled in Medicare Part B on or before July 1, 2013.

4. Medicare (Fire Retirees): Effective July 1, 2013, the health care coverage provided to Fire Retirees who are Medicare-eligible because they have reached sixty-five (65) years of age shall be provided through Medicare Parts A and B, with a Medicare Supplement (as defined in paragraph 3).

- a. The Retiree shall be responsible for making full payment of the monthly premium for Medicare Part B.
- b. The City shall pay 80% of the cost of the Medicare Supplement, and the Retiree shall pay 20% of the cost of the Medicare Supplement.
- c. The Retiree shall be responsible for making full payment for any prescription coverage if the Medicare Supplement does not include such coverage.

ald MEC RPB  
10/16/13 10/14/13 10/11/13

5. Medicare: SSDI (WED and City Retirees): Effective July 1, 2013, the health care coverage provided to WED and City Retirees who are Medicare-eligible because they are receiving Social Security Disability Insurance ("SSDI") shall end; the new coverage shall be provided through Medicare Parts A and B, with a (i) Medicare supplement and (ii) Medicare Part D prescription coverage at a maximum cost of \$212.00 per month ("Medicare Supplement + Prescription"), or (iii) an alternative health insurance plan that provides additional coverage to Medicare Parts A and B, at the same or lesser cost of the Medicare Supplement + Prescription ("Additional Medicare Coverage").

- a. The Retiree shall be responsible for making full payment of the monthly premium for Medicare Part B.
- b. The WED or City shall pay 100% of the cost of Medicare Supplement + Prescription or the Additional Medicare Coverage until the Retiree reaches sixty-five (65) years of age, at which time the Medicare Supplement + Prescription or the Additional Medicare Coverage provided by the WED or City shall end, unless the Retiree is otherwise entitled under the collective bargaining agreement to specified Medicare supplemental coverage, in which case the terms of that agreement shall control.
- c. The WED or the City shall pay any penalties imposed for enrollment in Medicare by Retirees on SSDI as of April 1, 2013, provided that the Retiree enrolled in Medicare Part B on or before July 1, 2013.

6. Medicare: SSDI (Fire and Police Retirees): Effective July 1, 2013, the health care coverage provided to Fire and Police Retirees who are Medicare-eligible because they

10/16/13 MEC RPP 10/11/13

are receiving SSDI shall end; the new coverage shall be provided through Medicare Parts A and B, with a Medicare Supplement (as defined in paragraph 3).

- a. The Retiree shall be responsible for making full payment of the monthly premium for Medicare Part B.
- b. The City shall pay 80% of the cost of the Medicare Supplement, and the Retiree shall pay 20% of the cost of the Medicare Supplement.
- c. The Retiree shall be responsible for making full payment for any prescription coverage if the Medicare Supplement does not include such coverage.
- d. The City shall pay any penalties imposed for enrollment in Medicare by Fire and Police Retirees on SSDI as of April 1, 2013, provided that the Retiree enrolled in Medicare Part B on or before July 1, 2013.

7. Medicare: Early Retiree Spouses (WED Retirees): Effective July 1, 2013, the health care coverage provided to the spouses of WED Early Retirees covered through the Early Retiree on an individual or family plan who are Medicare-eligible because they have reached sixty-five (65) years of age ("Medicare Spouses") shall end; their new coverage shall be under Medicare Parts A and B with either (i) the Medicare Supplement + Prescription or (ii) Additional Medicare Coverage.

- a. The Retiree or Medicare Spouse shall be responsible for making full payment of the monthly premium for Medicare Part B.
- b. The WED shall pay 100% of the cost of the Medicare Supplement + Prescription or the Additional Medicare Coverage until the Retiree reaches sixty-five (65) years of age, at which time this benefit for the Medicare Spouse shall end.

ald 10/16/13  
MEC 10/14/13  
RPPB 10/11/13

c. The WED shall pay any penalties imposed for enrollment by Medicare Spouses as of April 1, 2013, provided that the Medicare Spouse enrolled in Medicare Part B on or before July 1, 2013.

8. Medicare: (WED Retirees): Effective July 1, 2013, the health care coverage provided by the WED to Retirees who are enrolled in Medicare and who have satisfied the eligibility requirements under the applicable collective bargaining agreement to receive the specified Medicare supplement, i.e., Plan 65: Medicare Supplement ("Plan 65"), with the Plan 65 Rx Rider offered by Blue Cross Blue Shield of Rhode Island ("Rider"), the total of which is subject to the contribution set forth in the collective bargaining agreement under which they retired, shall instead receive Plan 65 and a prescription drug plan, attached as Exhibit 3, with prescription co-pays of \$5/\$15/\$30, and with the prescription drug plan not to exceed a monthly cost of two-hundred-and-twelve-dollars-and-no-cents (\$212.00) ("Plan 65/Part D"), the total of which shall remain subject to the contribution set forth in the collective bargaining agreement under which they retired.
9. Medicare Retirees (City and Fire Retirees): Effective July 1, 2013, the health care coverage known as "Blue Chip Preferred" that is currently provided to City and Fire Retirees who are enrolled in Medicare Parts A and B shall be replaced by Plan 65 or another plan with the same or lesser cost, in accordance with the terms of the collective bargaining agreement under which the retiree retired.
10. Dental Coverage (WED and City Retirees): The existing dental coverage provided to WED and City Early Retirees ("Dental Benefit Retirees"), shall continue without change until August 1, 2013, at which time the same or a new dental plan shall go

Real 10/10/13 MEE 10/11/13 RPE 10/11/13

into effect, to be agreed upon by the parties, the annual cost of which shall be shared by the WED on the one hand, and the Dental Benefit Retirees, on the other, under the terms of the Tentative Agreement and Memorandum of Agreement to be executed by the parties.

11. Dental Coverage (Police Retirees): The existing dental coverage provided to Police Retirees shall continue without change until August 1, 2013.

This amendment shall become effective upon its passage.

Approved:

Olivia Durrant

Woonsocket Budget Commission Chair

Attest:

Andrea M. Bicki

City Clerk

all  
10/10/13  
MEE  
10/11/13  
RPE  
10/11/13

# EXHIBIT C

MEC  
10/11/13

RPK  
10/11/13

ALP  
10/16/13

# 100/80 500 Coinsurance Plan

## Understanding Your Benefits

### Deductibles

You pay the following amounts each year before your health plan starts to pay toward the cost of covered services:

\* \$500 per individual plan;

\$1,000 per family plan

in network

\* \$1,000 per individual plan;

\$2,000 per family plan

out of network

### Out-of-pocket Limits

To protect you from very high costs, your plan limits how much you could pay out of pocket for healthcare services. The following is the most you would pay for deductibles and coinsurance each year:

\* \$1,500 per individual plan;

\$3,000 per family plan

in network

\* \$3,000 per individual plan;

\$6,000 per family plan

out of network

### Please note

The deductible and out-of-pocket limits are separate for in-network and out-of-network services.

What's Covered	What You Pay
<b>Preventive Care</b> <ul style="list-style-type: none"> <li>Adult preventive care</li> <li>Child preventive care</li> <li>Immunizations</li> <li>Preventive and diagnostic lab, X-ray, and imaging</li> </ul>	\$0 in network 20% per visit after deductible out of network
<b>Primary Care Office Visits</b> <ul style="list-style-type: none"> <li>Adult primary care</li> <li>Adult gynecological exam</li> <li>Pediatric primary care</li> </ul>	\$20 per visit in network 20% per visit after deductible out of network
<b>Specialist Office Visits</b> <ul style="list-style-type: none"> <li>Specialty care</li> <li>Chiropractic (limit 12 visits per year)</li> <li>Routine eye exam (limit 1 visit per year)</li> </ul>	\$30 per visit in network 20% per visit after deductible out of network
<b>Outpatient Services</b> <ul style="list-style-type: none"> <li>Medical/surgical care</li> <li>High-end radiology services, major diagnostics, and nuclear medicine (e.g., MRI/CAT/PET)</li> </ul>	0% per visit after deductible in network 20% per visit after deductible out of network
<b>Inpatient Services</b> <ul style="list-style-type: none"> <li>Acute care</li> <li>Maternity</li> <li>Mental health</li> <li>Chemical dependency</li> <li>Rehabilitation (limit 45 days per year)</li> </ul>	0% per visit after deductible in network 20% per visit after deductible out of network
<b>Emergency Services</b> <ul style="list-style-type: none"> <li>Hospital emergency care</li> </ul>	\$150 per visit in network \$150 per visit out of network \$50 per occurrence in network \$50 per occurrence out of network
<b>Ambulance</b>	

ALP  
10/16/13

MCC  
10/11/13

RPP  
10/11/13

## What's Covered

## What You Pay

Urgent Care Center	\$30 per visit in network \$30 per visit out of network
Durable Medical Equipment	20% per occurrence after deductible in network 20% per occurrence after deductible out of network
Physical/Occupational Therapy (limit 30 visits per year)	20% per visit after deductible in network 20% per visit after deductible out of network
<ul style="list-style-type: none"> <li>Physical therapy</li> <li>Occupational therapy</li> <li>Speech therapy</li> </ul>	
Prescription Drugs	\$10 Tier-1; \$20 Tier-2; \$30 Tier-3; \$50 Tier-4

## Beyond Benefits

When you sign in to your member page on **BCBSRI.com**, you have useful plan and wellness information at your fingertips.

### Manage your plan:

- Get a list of your benefits and recent claims.
- See how much you've paid toward your deductible.

### Get healthy:

- Read about thousands of health topics in the Health Center.
- Learn how you can get the guaranteed lowest rate on gym memberships, as well as free one-week trial memberships.
- Access our Blue365<sup>sm</sup> wellness information and discount program.

### Need help?

#### Call Customer Service:

- Locally: (401) 459-5000
- Outside Rhode Island: 1-800-639-2227
- TDD: 1-888-252-5051

Hours: Monday — Friday, 8:00 a.m. to 8:00 p.m., Eastern Time



**Blue Cross  
Blue Shield**  
of Rhode Island

www.bcsri.com

500 Exchange Street • Providence, RI 02903-2659  
Blue Cross of Rhode Island and Blue Shield of Rhode Island are not affiliated with each other.  
03/11 10112449

*This is a summary of your HealthMate Coast-to-Coast benefits. It is not a contract. For details about your coverage, including any limitations or exclusions not noted here, please refer to your subscriber agreement or call our Customer Service Department. If you have questions about receiving medical care, please call your doctor.*

alad  
10/16/13

mec  
10/21/13

RPK  
10/11/13

## HealthMate Coast-to-Coast (HMC2C) Coinsurance Plans (100/80, 90/70, and 80/60)

The following diagram shows some of the covered services, and the member's financial responsibility for each.

### Key Plan Features:

- National network and non-network coverage
- Cost savings by going to a network doctor or facility
- Preventive care covered at 100% in network
- Deductible and coinsurance allow for lower premiums
- Pharmacy benefits included

### Deductible Calculation

All family members contribute to the family deductible. Once that is met, everyone is covered. However, an individual family member will never pay MORE than the individual deductible before being covered.

#### In network:

##### Preventive office visits

- Adult annual/preventive care
- Well-woman annual/preventive care
- Pediatric preventive care

##### Preventive immunizations

##### Preventive and diagnostic lab, X-ray, and imaging

##### Preventive education

- Diabetes education
- Nutritional counseling
- Smoking cessation counseling

#### In network:

##### Outpatient services

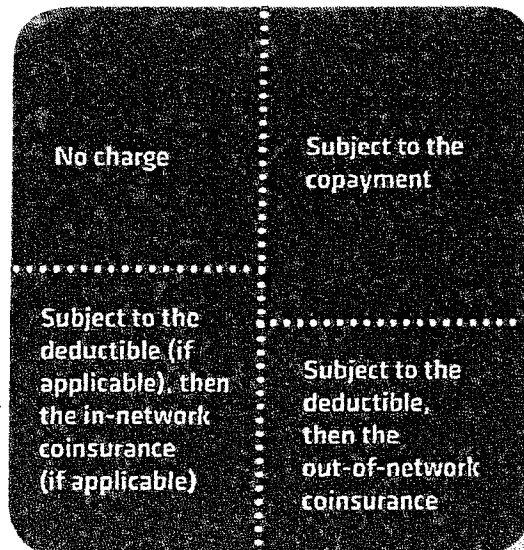
- Medical/surgical care
- High-end radiology services, major diagnostics, and nuclear medicine (e.g., MRI/CAT/PET)

##### Inpatient services

- Acute care
- Maternity
- Mental health
- Chemical dependency
- Rehabilitation

##### Durable medical equipment

##### Physical/occupational/speech therapy



#### In network:

##### Primary care office visits

- Adult primary care
- OB/GYN
- Pediatric primary care

##### Specialist office visits

- Specialty care
- Chiropractic
- Routine eye exam

##### Hospital emergency care

##### Urgent care center

##### Prescription drugs

##### Office-based surgical procedures

#### Out of network:

Applies to most out-of-network services

This is a summary of your HealthMate Coast-to-Coast benefits. It is not a contract. For details about your coverage, including any limitations or exclusions not noted here, please refer to your subscriber agreement or call our Customer Service Department. If you have questions about receiving medical care, please call your doctor.

500 Exchange Street • Providence, RI 02903-2699

Blue Cross & Blue Shield of Rhode Island is an independent licensee of the Blue Cross and Blue Shield Association.

07-11 1ER-9858

*Handwritten signatures and dates:*  
 10/16/13  
 10-11-13  
 10/11/13

# EXHIBIT D

ald  
10/16/13

MEC  
10-11-13

RRB  
10/11/13

100/80 2000 Coinsurance Plan

## Understanding Your Benefits

### ■ Deductibles

You pay the following amounts each year before your health plan starts to pay toward the cost of covered services:

- \$2,000 per individual plan;  
\$4,000 per family plan  
in network
- \$4,000 per individual plan;  
\$8,000 per family plan  
out of network

### ■ Out-of-pocket Limits

To protect you from very high costs, your plan limits how much you could pay out of pocket for healthcare services. The following is the most you would pay for deductibles and coinsurance each year:

- \$6,000 per individual plan;  
\$12,000 per family plan  
in network
- \$12,000 per individual plan;  
\$24,000 per family plan  
out of network

### ■ Important Note

The deductible and out-of-pocket limits are separate for in-network and out-of-network services.

What's Covered	What You Pay
<b>Preventive Care</b> <ul style="list-style-type: none"> <li>▪ Adult preventive care</li> <li>▪ Child preventive care</li> <li>▪ Immunizations</li> <li>▪ Preventive and diagnostic lab, X-ray, and imaging</li> </ul>	<p>\$0 in network</p> <p>20% per visit after deductible out of network</p>
<b>Primary Care Office Visits</b> <ul style="list-style-type: none"> <li>▪ Adult primary care</li> <li>▪ Adult gynecological exam</li> <li>▪ Pediatric primary care</li> </ul>	<p>\$15 per visit in network</p> <p>20% per visit after deductible out of network</p>
<b>Specialist Office Visits</b> <ul style="list-style-type: none"> <li>▪ Specialty care</li> <li>▪ Chiropractic (limit 12 visits per year)</li> <li>▪ Routine eye exam (limit 1 visit per year)</li> </ul>	<p>\$25 per visit in network</p> <p>20% per visit after deductible out of network</p>
<b>Outpatient Services</b> <ul style="list-style-type: none"> <li>▪ Medical/surgical care</li> <li>▪ High-end radiology services, major diagnostics, and nuclear medicine (e.g., MRI/CAT/PET)</li> </ul>	<p>0% per visit after deductible in network</p> <p>20% per visit after deductible out of network</p>
<b>Inpatient Services</b> <ul style="list-style-type: none"> <li>▪ Acute care</li> <li>▪ Maternity</li> <li>▪ Mental health</li> <li>▪ Chemical dependency</li> <li>▪ Rehabilitation (limit 45 days per year)</li> </ul>	<p>0% per visit after deductible in network</p> <p>20% per visit after deductible out of network</p>
<b>Emergency Services</b> <ul style="list-style-type: none"> <li>▪ Hospital emergency care</li> </ul>	<p>\$100 per visit in network</p> <p>\$100 per visit out of network</p>
<b>Ambulance</b>	<p>\$50 per occurrence in network</p> <p>\$50 per occurrence out of network</p>

ALP 10/16/13 MEC 10-11-13 RPB 10/11/13

What's Covered	What You Pay
Urgent Care Center	\$25 per visit in network \$25 per visit out of network
Durable Medical Equipment	20% per occurrence after deductible in network 20% per occurrence after deductible out of network
Physical/Occupational Therapy (limit 30 visits per year)	20% per visit after deductible in network
▪ Physical therapy	20% per visit after deductible out of network
▪ Occupational therapy	
▪ Speech therapy	
Prescription Drugs	\$7-Tier 1; \$30-Tier 2; \$50-Tier 3; \$75-Tier 4

### Beyond Benefits

When you sign in to your member page on **BCBSRI.com**, you have useful plan and wellness information at your fingertips.

### Manage your plan:

- Get a list of your benefits and recent claims.
- See how much you've paid toward your deductible.

### Get healthy:

- Read about thousands of health topics in the Health Center.
- Learn how you can get the guaranteed lowest rate on gym memberships, as well as free one-week trial memberships.
- Access our Blue365<sup>sm</sup> wellness information and discount program.

### Need help?

#### Call Customer Service:

- Locally: (401) 459-5000
- Outside Rhode Island: 1-800-639-2227
- TDD: 1-888-252-5051

Hours: Monday – Friday, 8:00 a.m. to 8:00 p.m., Eastern Time



**Blue Cross  
Blue Shield**  
of Rhode Island

www.bcsri.com

*This is a summary of your HealthMate Coast-to-Coast benefits. It is not a contract. For details about your coverage, including any limitations or exclusions not noted here, please refer to your subscriber agreement or call our Customer Service Department. If you have questions about receiving medical care, please call your doctor.*

500 Exchange Street • Providence, RI 02903-2699

Blue Cross & Blue Shield of Rhode Island is an independent licensee of the Blue Cross and Blue Shield Association.

6/11 11-95DR

10/10/13

10-11-13

10/11/13

## HealthMate Coast-to-Coast (HMC2C) Coinsurance Plans (100/80, 90/70, and 80/60)

The following diagram shows some of the covered services, and the member's financial responsibility for each.

### Key Plan Features:

- National network and non-network coverage
- Cost savings by going to a network doctor or facility
- Preventive care covered at 100% in network
- Deductible and coinsurance allow for lower premiums
- Pharmacy benefits included

### Deductible Calculation

All family members contribute to the family deductible. Once that is met, everyone is covered. However, an individual family member will never pay MORE than the individual deductible before being covered.

#### In network:

##### Preventive office visits

- Adult annual/preventive care
- Well-woman annual/preventive care
- Pediatric preventive care

##### Preventive immunizations

Preventive and diagnostic  
lab, X-ray, and imaging

##### Preventive education

- Diabetes education
- Nutritional counseling
- Smoking cessation counseling

#### In network:

##### Outpatient services

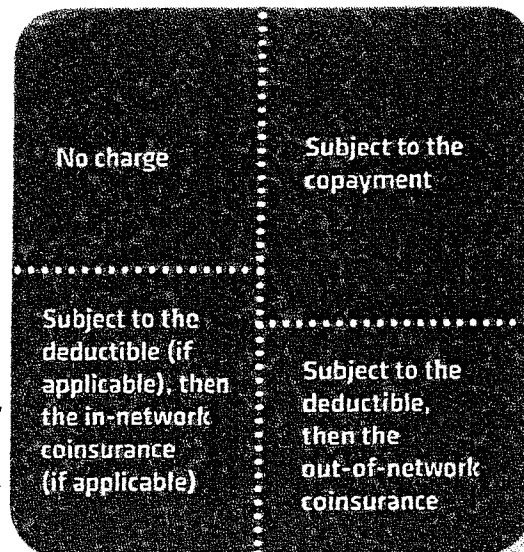
- Medical/surgical care
- High-end radiology services, major diagnostics, and nuclear medicine (e.g., MRI/CAT/PET)

##### Inpatient services

- Acute care
- Maternity
- Mental health
- Chemical dependency
- Rehabilitation

##### Durable medical equipment

Physical/occupational/speech therapy



#### In network:

##### Primary care office visits

- Adult primary care
- OB/GYN
- Pediatric primary care

##### Specialist office visits

- Specialty care
- Chiropractic
- Routine eye exam

##### Hospital emergency care

##### Urgent care center

##### Prescription drugs

##### Office-based surgical procedures

#### Out of network:

Applies to most out-of-network services

This is a summary of your HealthMate Coast-to-Coast benefits. It is not a contract. For details about your coverage, including any limitations or exclusions not noted here, please refer to your subscriber agreement or call our Customer Service Department. If you have questions about receiving medical care, please call your doctor.

500 Exchange Street • Providence, RI 02903-2699

Blue Cross & Blue Shield of Rhode Island is an independent licensee of the Blue Cross and Blue Shield Association.

02/11 12R-9858

*Handwritten signatures and dates:*  
 10/16/13  
 10/14/13  
 10/11/13

# EXHIBIT E

MLL  
10/16/13

MEC  
10/14/13

RFB  
10/11/13



## | Blue MedicareRx<sup>SM</sup> (PDP)



2013 Summary of Benefits  
Blue MedicareRx<sup>SM</sup> (PDP)  
Group Prescription Drug Plan  
\$5 / \$15 / \$30

WEC  
10/11/13  
RPPB  
10/11/13  
alaf  
10/16/13

S2893\_1227\_092012\_GRP

## Section I: Introduction

### Introduction to the Summary of Benefits for Your Blue MedicareRx Plan

For January 1, 2013 - December 31, 2013

Thank you for your interest in our Blue MedicareRx plan. Our plan is offered by Blue Cross & Blue Shield of Rhode Island, a Medicare Prescription Drug Plan that contracts with the Federal government. This Summary of Benefits tells you some features of our plan. It doesn't list every drug we cover, every limitation, or exclusion. To get a complete list of our benefits, please call us and ask for the "Evidence of Coverage."

MEC  
10/11/13

RPB  
10/11/13

MLL  
10/10/13

### You Have Choices In Your Medicare Prescription Drug Coverage

You are being offered this Blue MedicareRx plan as part of your former employer's retiree benefits. As a Medicare beneficiary, you can choose from different Medicare prescription drug coverage options. You can choose from this Blue MedicareRx plan offered by your former employer, or an Individual (non-group) Medicare Prescription Drug Plan. Another option is to get your prescription drug coverage through an Individual (non-group) Medicare Advantage Plan (MA) that offers prescription drug coverage. If you enroll in an Individual (non-group) plan, you may not be eligible to enroll in your employer's retiree plan in the future. Please contact your former employer's group administrator for information on eligibility requirements for your retiree plan.

### How Can I Compare My Options?

The chart in this booklet lists some important drug benefits. You can use this Summary of Benefits to compare the benefits offered by our Blue MedicareRx plan to the benefits offered by other Medicare Prescription Drug Plans or Medicare Advantage Plans with prescription drug coverage.

### Where Is This Blue MedicareRx Plan Available?

As a member of your former employer's retiree plan, you may enroll in this plan as long as you live in the United States.

### Who Is Eligible to Join?

You can join this plan if you are entitled to Medicare Part A and/or enrolled in Medicare Part B and live in the service area.

If you are enrolled in a MA coordinated care (HMO or PPO) plan or a MA private fee-for-service (MA PFFS) plan that includes Medicare prescription drugs, you may not enroll in a prescription drug plan (PDP) unless you disenroll from the HMO, PPO or MA PFFS plan.

Enrollees in a private fee-for-service (PFFS) plan that does not provide Medicare prescription drug coverage or a MA Medical Savings Account (MSA) plan may enroll in a PDP. Enrollees in an 1876 Cost plan may enroll in a PDP.

### Where Can I Get My Prescriptions?

This Blue MedicareRx plan has formed a network of pharmacies. You must use a network pharmacy to receive plan benefits. We will not pay for your prescriptions if you use an out-of-network pharmacy, except in certain cases.

The pharmacies in our network can change at any time. You can ask for a Pharmacy Directory or visit us at

Groups.RxMedicarePlans.com. Our Customer Care number is listed on the back cover of this booklet.

MEC  
10/21/13

RFB  
10/11/13  
ALP  
10/16/13

### Does My Plan Cover Medicare Part B or Part D Drugs?

This Blue MedicareRx plan does not cover drugs that are covered under Medicare Part B as prescribed and dispensed. Generally, we only cover drugs, vaccines, biological products and medical supplies associated with the delivery of insulin that are covered under the Medicare Prescription Drug Benefit (Part D) and that are on our formulary.

### What is a Prescription Drug Formulary?

This Blue MedicareRx plan uses a formulary. A formulary is a list of drugs covered by your plan to meet patient needs. We may periodically add, remove, or make changes to coverage limitations on certain drugs or change how much you pay for a drug. If we make any formulary change that limits our members' ability to fill their prescriptions, we will notify the affected enrollees before the change is made. We will send a formulary to you and you can see our complete formulary on our website at [Groups.RxMedicarePlans.com](http://Groups.RxMedicarePlans.com).

If you are currently taking a drug that is not on our formulary or subject to additional requirements or limits, you may be able to get a temporary supply of the drug. You can contact us to request an exception or switch to an alternative drug listed on our formulary with your physician's help. Call us to see if you can get a temporary supply of the drug or for more details about our drug transition policy.

### What Should I Do If I Have Other Insurance in Addition to Medicare?

If you also have a Medigap (Medicare Supplement) plan through your former employer, your Medigap plan benefits will work with your Medicare Part D Plan. If you have an Individual (non-group) Medigap policy that includes prescription drug coverage, you must contact your Medigap Issuer to let them know that you have joined a Medicare Prescription Drug Plan. If you decide to keep your current Medigap policy, your Medigap Issuer will remove the prescription drug coverage portion from your Medigap policy. This will occur as of the effective date of your Medicare Prescription Drug Plan coverage. Your Issuer will adjust your premium. Call your Medigap Issuer for details.

### How Can I Get Extra Help With My Prescription Drug Plan Costs or Get Extra Help with Other Medicare Costs?

You may be able to get extra help to pay for your prescription drug premiums and costs as well as get help with other Medicare costs. To see if you qualify for getting extra help, call:

- 1-800-MEDICARE (1-800-633-4227). TTY/TTD users should call 1-877-486-2048, 24 hours a day, 7 days a week; and see [www.medicare.gov](http://www.medicare.gov) "Programs for People with Limited Income and Resources" in the publication *Medicare & You*.
- The Social Security Administration at 1-800-772-1213 between 7 a.m. and 7 p.m., Monday through Friday. TTY/TTD users should call 1-800-325-0778; or
- Your State Medicaid Office.

MEC  
10/11/13  
RPPB  
10/11/13  
RPPB  
10/10/13

### What Are My Protections in This Plan?

All Medicare Prescription Drug Plans agree to stay in the program for a full calendar year at a time. Plan benefits and cost-sharing may change from calendar year to calendar year. Each year, plans can decide whether to continue to participate with the Medicare Prescription Drug Program. A plan may continue in their entire service area (geographic area where the plan accepts members) or choose to continue only in certain areas. Also, Medicare may decide to end a contract with a plan. Even if your Medicare Prescription Plan leaves the program, you will not lose Medicare coverage. If a plan decides not to continue for an additional calendar year, it must send you a letter at least 90 days before your coverage will end. The letter will explain your options for Medicare coverage in your area.

As a member of this Blue MedicareRx plan, you have the right to request a coverage determination, which includes the right to request an exception, the right to file an appeal if we deny coverage for a prescription drug, and the right to file a grievance. You have the right to request a coverage determination if you want us to cover a Part D drug that you believe should be covered. An exception is a type of coverage determination. You may ask us for an exception if you believe you need a drug that is not on our list of covered drugs or believe you should get a non-preferred drug at a lower out-of-pocket cost. You can also ask for an exception to cost utilization rules, such as a limit on the

quantity of a drug. If you think you need an exception, you should contact us before you try to fill your prescription at a pharmacy. Your doctor must provide a statement to support your exception request. If we deny coverage for your prescription drug(s), you have the right to appeal and ask us to review our decision. Finally, you have the right to file a grievance if you have any type of problem with us or one of our network pharmacies that does not involve coverage for a prescription drug. If your problem involves quality of care, you also have the right to file a grievance with the Quality Improvement Organization (QIO) for your state. Please refer to the Evidence of Coverage (EOC) for the QIO contact information.

### What is a Medication Therapy Management (MTM) Program?

A Medication Therapy Management (MTM) Program is a free service we offer. You may be invited to participate in a program designed for your specific health and pharmacy needs. You may decide not to participate but it is recommended that you take full advantage of this covered service if you are selected. Contact Blue MedicareRx for more details.

MEC  
10/21/13  
RPPB  
10/10/13  
10/11/13<sup>4</sup>

## Section 2: Summary of Benefits

If you have any questions about this plan's benefits or costs, please contact Blue MedicareRx for details.  
*Prescription Drugs: Drugs covered under your Medicare Part D Prescription Drug Plan*

Blue MedicareRx Plan		
Initial Coverage Level		
You pay the following until your out-of-pocket costs for covered drugs reach \$4,750 <sup>1</sup> :		
Tier 1 Tier 2 Tier 3	Generic Drugs	30-day supply at a network Retail pharmacy
	Preferred Brand Drugs	\$5
	Non-Preferred Brand Drugs	\$15 \$30
Tier 1 Tier 2 Tier 3	Generic Drugs	90-day supply at a network Retail pharmacy <sup>2</sup>
	Preferred Brand Drugs	\$15 \$45
	Non-Preferred Brand Drugs	\$90
Not all drugs on Tiers 1 and 2 are available at this extended day supply. Please contact the plan for more information.		
Tier 1 Tier 2 Tier 3	Generic Drugs	90-day supply through network Mail-Order pharmacy
	Preferred Brand Drugs	\$5 \$30
	Non-Preferred Brand Drugs	\$60
Not all drugs on Tiers 1 and 2 are available at this extended day supply. Please contact the plan for more information.		
Catastrophic Coverage		
After your yearly out-of-pocket drug costs reach \$4,750, you pay the greater of:		
Generics (including brand drugs treated as generic)		\$2.65 or 5%
All other drugs		\$6.60 or 5%

MCC  
10/14/13

RPPG  
10/11/13

all  
10/16/13

<sup>1</sup>All covered drugs are on the Blue MedicareRx formulary/drug list. Your copayment or coinsurance for some covered drugs may be lower due to the Medicare Coverage Gap Discount Program. More information on this program is in the General Information section.

<sup>2</sup>Available at retail pharmacies that have agreed to allow members to fill 90-day supplies of their prescriptions.

### General Information

In some cases, the plan requires you to first try one drug to treat your medical condition before they will cover another drug for that condition.

Certain prescription drugs will have maximum quantity limits.

Your provider must get prior authorization from Blue MedicareRx for certain prescription drugs.

Covered Part D drugs are available at out-of-network pharmacies in special circumstances, including illness while traveling outside of the plan's service area where there is no network pharmacy. Your copayment/coinsurance at out-of-network pharmacies is the same as at network pharmacies and depends on whether you purchase a Generic, Preferred Brand, Specialty or Non-Preferred Brand drug. However, if you go to an out-of-network pharmacy, you are responsible for the difference between the amount charged at the out-of-network pharmacy and what your plan would have paid at a network pharmacy.

The Medicare Coverage Gap Discount Program provides manufacturer discounts on brand name drugs to Part D enrollees who have reached year-to-date "total drug costs" of \$2,970 and are not already receiving "Extra Help." A 50% discount on your cost share will be available for those brand name drugs from manufacturers that have agreed to pay the discount.

If you have reached year-to-date "total drug costs" of \$2,970, we will automatically apply the discount when your pharmacy bills you for your prescription and your Explanation of Benefits (EOB) will show any discount provided. Both the amount you pay and the amount discounted by the manufacturer count toward your out-of-pocket costs as if you had paid this amount. Once your out-of-pocket costs reach \$4,750, you will move to the Catastrophic phase and the Medicare Coverage Gap Discount Program will no longer be applicable.

If you have any questions about the availability of discounts for the drugs you are taking or about the Medicare Coverage Gap Discount Program in general, please contact Customer Care.

Red  
10/10/13

MEC  
10/14/13

APB  
10/11/12

# EXHIBIT F

NEC  
10/22/13

KRP  
10/11/13  
del  
10/16/13

DELTA DENTAL OF RHODE ISLAND  
Benefit Comparison

Summary of Covered Services	City of Woonsocket						City of Woonsocket School Department
	Group 1038-0001	Groups 1038-0002,0004	Groups 1038-0003,0008	Groups 1038-0005	Groups 1038-0006,0009	Groups 1038-0007,0010	Groups 1033-0141,0142,0143
<b>Preventive/Diagnostic</b>							
Cleanings (2/year)	100%	100%	100%	100%	100%	100%	100%
Oral Exams (1/year)	100%	100%	100%	100%	100%	100%	100%
Fluoride Treatment (1/year)	100%	100%	100%	100%	100%	100%	100%
X-Rays	100%	100%	100%	100%	100%	100%	100%
Sealants	100%	100%	100%	100%	100%	100%	100%
<b>Minor Restorative</b>							
Fillings	100%	100%	100%	100%	100%	100%	100%
Simple Extractions	100%	100%	100%	100%	100%	100%	100%
Denture Repairs	100%	100%	100%	100%	100%	100%	100%
Palliative Treatment	100%	100%	100%	100%	100%	100%	100%
Biopsies	100%	100%	100%	100%	100%	100%	100%
Endodontics	100%	100%	100%	100%	100%	100%	100%
Oral Surgery/Anesthesia	100%	100%	100%	100%	100%	100%	100%
Space Maintainers	100%	100%	100%	100%	100%	100%	100%
<b>Major Restorative</b>							
Periodontic Cleanings	50%	50%	50%	50%	50%	50%	50%
Periodontic Surgery	50%	50%	50%	50%	50%	50%	50%
Crowns	100%	100%	100%	100%	100%	100%	100%
Prosthetics (Bridges & Dentures)	50%	50%	50%	50%	50%	50%	50%
After Annual Deductible	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Calendar Year Maximum	\$2,000	\$1,200	\$1,200	\$2,000	\$2,000	\$2,000	\$1,200
Dependents	Age 19	Age 19	Age 19	Age 19	Age 19	Age 19	Age 19
Student Coverage	Age 23	NA	Age 23	N/A	N/A	Age 23	Age 23
<b>Orthodontics</b>							
Coverage (to age 19)	50%	50%	50%	50%	50%	50%	50%
Lifetime Maximum	\$2,000	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Carryover Maximum	N/A	N/A	N/A	N/A	N/A	N/A	YES
<b>Monthly Premium Rates</b>	Current Rates 7/1/12-6/30/13	Current Rates 7/1/12-6/30/13	Current Rates 7/1/12-6/30/13	Current Rates 7/1/12-6/30/13	Current Rates 7/1/12-6/30/13	Current Rates 7/1/12-6/30/13	Current Rates 7/1/12-6/30/13
Individual	\$43.19	\$31.40	\$31.40	\$32.44	\$32.44	\$32.44	\$32.85
Family	\$130.45	\$98.13	\$99.51	\$101.41	\$101.41	\$102.78	\$97.90
<b>Monthly Premium Rates</b>	Renewal Rates 7/1/13-6/30/14	Renewal Rates 7/1/13-6/30/14	Renewal Rates 7/1/13-6/30/14	Renewal Rates 7/1/13-6/30/14	Renewal Rates 7/1/13-6/30/14	Renewal Rates 7/1/13-6/30/14	Renewal Rates 7/1/13-6/30/14
Individual	\$43.19	\$32.66	\$32.66	\$33.74	\$33.74	\$33.74	\$33.67
Family	\$130.45	\$102.06	\$103.49	\$105.47	\$105.47	\$106.89	\$100.36

ALP  
10/16/13

MCC  
10/17/13

RPK  
10/11/13

# EXHIBIT G

klaf 10/16/13      meC 10/11/13      RPB 10/11/13



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Revenue

Rosemary Booth Gallogly, Director  
One Capitol Hill  
Providence, RI 02908-5855

TEL: (401) 574-8999

FAX: (401) 574-8997

TDD: (401) 222-1227

**LETTER OF ASSURANCE-EXHIBIT F TO**  
**MEMORANDUM OF AGREEMENT BETWEEN THE**  
**WBC, CITY, & WED AND CERTAIN RETIREES**

July 12, 2013

To Whom It May Concern:

As the Director of the Rhode Island Department of Revenue, I am writing this Letter of Assurance, in support of certain retirees and their beneficiaries ("Retiree Parties"), who have reached a Memorandum of Agreement with the Woonsocket Budget Commission, the City of Woonsocket, and the Woonsocket Education Department ("State and City Parties"), regarding changes to their post-employment health and dental benefits. This Letter of Assurance is incorporated by reference into the Memorandum of Agreement as Exhibit F.

In May 2012, at the request of the Woonsocket City Council, I appointed the Woonsocket Budget Commission ("WBC"), because the fiscal crisis confronting the City had become so chronic and severe that it threatened the short and long-term welfare of its citizens. After taking various emergency measures, and after review of the City's finances, the WBC concluded that if nothing changed, the City would likely be required to file a petition under Chapter 9, Title 11, through a receiver appointed under R.I. Gen. Laws § 45-9-7. Municipal bankruptcy is a drastic measure, as the experience in Central Falls made plain. To avert insolvency and restore the City's fiscal stability, the WBC and City, through its agents, began work in earnest with the Department of Revenue to develop a five-year plan ("5-Year Plan"). As part of this 5-Year Plan, on March 19, 2013, the WBC enacted a Resolution that modified the health benefits of all retirees, including the Retiree Parties, effective July 1, 2013, "absent agreement to the contrary."

Since March 2013, these Retiree Parties have negotiated in good faith with the State and City Parties through their representatives, Roger Boudreau, Mark Kurtzman, Richard DiPardo, and Michael Connolly, to identify ways that the WBC might amend the Resolution to provide concessions and alternatives that would benefit their constituents without compromising the 5-Year Plan. I personally have participated in these negotiations, and can say without hesitation that Messrs. Boudreau, Kurtzman, DiPardo and Connolly have been cooperative, honorable and diligent throughout this process. The resulting Memorandum of Agreement is a fair compromise that not only benefits their constituency, but the wider retiree community as well: on June 28, 2013, the WBC amended the Resolution so that now similarly situated retirees, including public safety retirees with whom the State and City Parties are continuing to negotiate, also receive some of the benefits reflected in the Memorandum of Agreement.

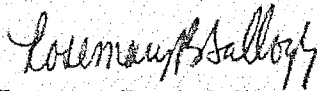
*ilal*  
10/10/13

*WBC*  
10/11/13

*RPB*  
10/11/13

Despite all of the above efforts, it nonetheless may become necessary to appoint a receiver under R.I. Gen. Laws § 45-9-7, and thereafter to file a petition in the name of the City under chapter 9, Title 11 of the United States Code. If that action results, and in support of the consideration by the State and City Parties given in exchange for concessions by the Retiree Parties, as reflected in the Memorandum of Agreement, I hereby provide my full assurance as the Director of the Department of Revenue to support a recommendation to the receiver that the Memorandum of Agreement be controlling, to the extent allowed by law. Moreover, if the receiver files a petition for bankruptcy, I will further support a recommendation that this Memorandum of Agreement become the "pendency plan" during the bankruptcy process and that it be accepted as part of the "plan of debt adjustment", as those terms are defined in the applicable law and to the extent allowed by that law.

Sincerely,



Rosemary Booth Gallogly  
Director, Rhode Island Department of Revenue

RLH  
10/10/13

MRC  
10/11/13

RPH  
10/11/13