

Pamela K. Shaw

June 29, 2022

Testimony City Council Bill 22-0211

My name is Pamela K. Shaw. I am a recent ERS retiree from the Baltimore City Police Department where I was a Forensic Scientist IV. I am also the Past Vice President of the Managerial and Professional Society where I served as an executive officer for over 20 years. Previously, I was also an officer of the City Union of Baltimore for ten years. I have been involved in contract negotiations for both organizations, and a member of the Health Insurance Committee (in its various forms) since the late 1980's.

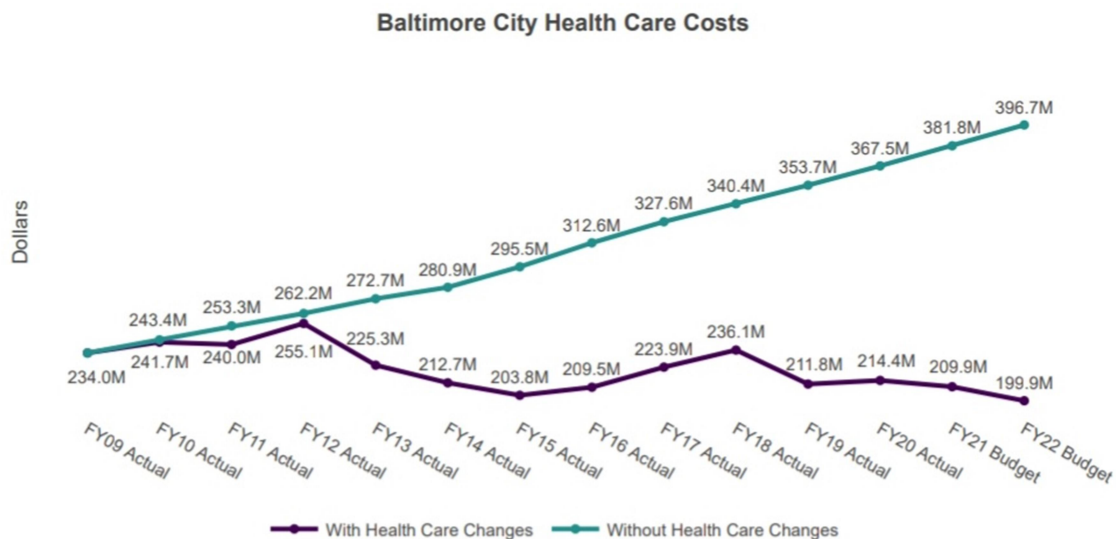
I write to you today to offer my strong support for City Council Bill 22-0211 as it codifies the very successful collaboration between the City, the Unions and the Retirees dating back to 2012. It takes our success, builds on it to mirror other local jurisdiction's health insurance committee legislation and eliminates the direct costs incurred by the City in engaging outside counsel to renegotiate this agreement on a continuing basis.

This legislation will ensure that the improvements and cost savings garnered through this collaborative process continues to be enjoyed by both the City, it's employees, and all it's retirees.

In 2011, the Administration came to the Unions with a proposal to bring all the unions together to negotiate healthcare collectively. At that time each union had bargained healthcare including premiums and cost sharing separately, resulting in a confusing matrix of benefits and cost sharing. It was not easy for the unions to set aside their individual organization's interests and join together to find opportunities for employees and retirees as a whole. But we did, and it worked. Over the last decade we leveled the cost sharing among the unions, improved the benefits and saved a ton of money for everyone.

You don't have to take my word of it, you can take the City's own budget documents as proof.

The proposal developed from these negotiations took affect took effect July 1, 2012 and the plan changes took affect for calendar year 2013. I refer you to documents prepared by the City. The first is pages 29 – 30 of the 2022 Executive Summary Board of Estimates Recommendations Fiscal Year 2022. On those pages is a list of changes made to the benefits and a chart (included below). As you can see the savings against expected began in FY'13.



Similarly, on pages 20 – 21 of the 2023 Executive Summary Board of Estimates Recommendations Fiscal Year 2023 provides an updated estimate of the cost savings this collaboration has achieved while improving benefits. The savings estimated by the City is \$151.6M just for FY'23.

None of this happened without the active participation of the unions and our retirees. Others have spoken to the efforts of our members and our retirees in this process. The Unions hired a health benefits consultant, lawyers, and donated hundreds of hours of our personal time over the last decade to make this collaboration work.

Now is the time to recognize our successes and preserve it for all active, current and future retirees. This process has worked. We want it to continue to provide benefits for everyone: the City, the employees and the retirees.

I regret that I am unable to be there in person today, but I am attending a City called Healthcare Benefit related meeting.

/s/

Pamela K. Shaw