



**Pacific Gas and
Electric Company**

LETTER AGREEMENT NO. 13-68-PGE

IBEW



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS AND HUMAN RESOURCES DEPARTMENT
MAIL CODE N2Z
P.O. BOX 770000
SAN FRANCISCO, CALIFORNIA 94177
(415) 973-4310

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W.
P.O. BOX 2547
VACAVILLE, CALIFORNIA 95696
(707) 452-2700

STEPHEN RAYBURN
DIRECTOR AND CHIEF NEGOTIATOR

TOM DALZELL
BUSINESS MANAGER

August 27, 2013

Mr. Tom Dalzell, Business Manager
Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 2547
Vacaville, CA 95696

Dear Mr. Dalzell:

During 2011-12 General Negotiations, Company and Union agreed to include a hearing aid benefit in the medical plans for both active employees and retirees effective January 1, 2014, as follows:

HEARING AIDS

ACTIVE AND RETIREE MEDICAL

80% coverage for hearing aids with the one per ear every three years frequency limit

What the Plan Covers:

Hearing Aid Services

The following hearing aid services are covered when provided by or purchased as a result of a written recommendation from an otolaryngologist or a state-certified audiologist.

1. Audiological evaluations to measure the extent of hearing loss and determine the most appropriate make and model of hearing aid. These evaluations will be covered under plan benefits for office visits to physicians.
2. Hearing aids (monaural or binaural) including ear mold(s), the hearing aid instrument, batteries, cords and other ancillary equipment.
3. Visits for fitting, counseling, adjustments and repairs for a one year period after receiving the covered hearing aid.

What the Plan does Not Cover (i.e., Exclusions)

No benefits will be provided for the following:

1. Charges for extra features that are beyond the specifications prescribed for the correction of hearing loss or are not medically necessary.

RETIREE MEDICAL PLANS

The Retiree Medical Plans which are able to administer the 80% coverage for hearing aids are:

- Anthem NAP
- Anthem CAP
- Anthem Medicare Supplemental Plan (MSP)
- Anthem Retiree Optional Plan (ROP)
- *Health Net HMO
- *Health Net COB
- *Health Net Seniority Plus

* Fully Insured Plans

Hearing Aid Benefit Rider

Pursuant to the Benefits Agreement reached in the 2011-12 General Negotiations, which provides 80% coverage for hearing aids as part of the medical plans, a Hearing Aid Benefit Rider will be added to two of the plans as follows:

Blue Shield HMO and COB Plans

Benefit -This rider provides a \$2,000 allowance every 24 months towards the purchase of hearing aids and ancillary equipment. The Calendar-Year Deductible does not apply to the Services provided in this hearing aid Services Benefit and are not included in the calculation of the Subscriber's Maximum Calendar-Year Copayment Responsibility.

Kaiser Sr. Advantage Plan

Benefit - \$1,000 allowance, one device per ear, two devices maximum per 36 months.

How Administration Will Work for Plans with Hearing Aid Rider

Retirees enrolled in the fully insured HMOs that do not offer the 80% coinsurance benefit will have a maximum dollar limit shown above. If the cost of the hearing aid is less than the maximum benefit, the employee will receive 100% of the benefit, after meeting their deductible.


If the cost of the hearing aid exceeds the maximum benefit the employee would submit their Explanation of Benefits (EOB) from the HMO to YSA (Your Spending Account) or another administrator the company chooses. From there, YSA would adjudicate the claim based on the 80% benefit. The total reimbursement amount would be 80% of the total claim, the same as if the benefit was paid from the HAP plan.

All hearing aid claims must first be determined to be medically necessary through the HMO. If the HMO does not approve the claim and denies payment, then the employee cannot submit the claim for further reimbursement by YSA, because the HMO already deemed the claim as an ineligible expense.

If you agree, please so indicate in the space provided below and return one executed copy of this letter to the Company.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: 
Stephen A. Rayburn
Director and Chief Negotiator

The Union is in agreement.

LOCAL UNION NO. 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

August 29, 2013

By: 
Tom Dalzell
Business Manager