

LETTER OF UNDERSTANDING
between the
ANAHEIM MUNICIPAL EMPLOYEES ASSOCIATION
and the
CITY OF ANAHEIM

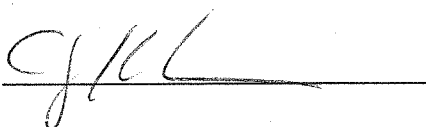
The Anaheim Municipal Employees Association (AMEA), General and Clerical Employees, and the City of Anaheim (ANAHEIM) have met and conferred, and reached agreement concerning ANAHEIM's contributions towards medical premium costs for calendar year 2008. This agreement is necessary because the Joint Committee on Medical Programs recommends, and the Human Resources Director concurs, that the Blue Shield plan be cancelled effective January 1, 2008, and be replaced by Aetna Health Plans. The Parties hereby agree to the following:

- Effective January 1, 2008, ANAHEIM and employee monthly contributions to the various Aetna Health Plan components shall be:

Plan/Tier	City Contributions	Employee Contributions	Total Monthly Premium
AETNA HMO - Single	\$340.39	\$17.62	\$358.01
AETNA HMO - Two Party	\$682.98	\$33.04	\$716.02
AETNA HMO - Family	\$962.84	\$50.32	\$1,013.16
AETNA PPO - Single	\$346.58	\$124.20	\$470.78
AETNA PPO - Two Party	\$684.36	\$257.20	\$941.56
AETNA PPO - Family	\$962.59	\$369.72	\$1,332.31
AETNA High Ded. - Single	\$340.39	\$82.78	\$423.17
AETNA High Ded. - Two Party	\$677.03	\$169.30	\$846.33
AETNA High Ded. - Family	\$952.58	\$244.98	\$1,197.56

- Effective January 1, 2009 and thereafter, ANAHEIM and employee contributions towards the cost of the Aetna Health plans shall be calculated in accordance with Articles 50.1.1 (General) and 51.1.1 (Clerical) of the Memorandums of Understanding between the Parties dated January 13, 2006 through January 7, 2010

STAFF OFFICIALS of the CITY OF ANAHEIM,
a Municipal Corporation

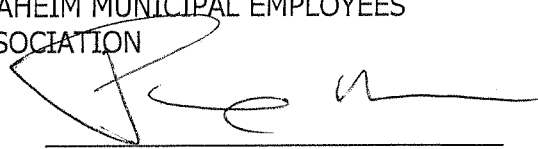
By: 


By: _____

By: _____

Dated: 8/14/07

ANAHEIM MUNICIPAL EMPLOYEES
ASSOCIATION

By: 

By: 

By: 

Dated: 8/14/07