

**ESTIMATED COST OF THE COLLECTIVE BARGAINING AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND AFSCME UNIT 208**

July 1, 2025 – June 30, 2027

I. Bargaining Unit Composition

Total Number of Employees: 2,026

II. Biennial Summary of Costs (All Agencies and All Funds)

Employee Costs	Biennial Base	Biennial New Money
Salaries	\$312,224,358	\$11,017,261
FICA and Retirement	\$80,846,464	\$2,852,778
Insurance	\$79,819,192	\$12,785,992
Minnesota Paid Leave Law		\$1,077,645
TOTAL	\$472,890,014	\$27,733,676

The Hubinger Number is 5.86% which represents the Biennial New Money as a percentage of the Biennial Base at the beginning of Fiscal Year 2026.

The Merriam Number is 9.81%, which represents the growth in the Biennial Base over the term of the contract.

III. Wages

One and one-half percent (1.50%) general wage increase effective July 1, 2025. Employees whose rate of pay is at or over the new maximum rate are not eligible for this increase.

One and three-quarters percent (1.75%) general wage increase effective July 1, 2026. All employees are eligible for this wage increase.

Progression step increases averaging 2.61% are available to employees in both fiscal years on the employee's anniversary date. Employees at the maximum rate of their salary range are not eligible for progression step increases. Approximately 59.6% of employees are eligible for progression step increases during the fiscal year. Progression step increases are delivered either on a semi-annual or annual basis, depending on job classification and position in the range.

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND AFSCME UNIT 208**

July 1, 2025 – June 30, 2027

IV. Insurance

1. Medical plan:
 - a. Effective January 1, 2026, cost-sharing for mental health and substance use office visits will be reduced according to the enrollee's PCC cost level:
 - i. Copayments for cost levels 3 and 4 will be reduced by \$10 (meaning to \$40 and \$60, respectively), and the deductible will still apply for these cost levels.
2. Dental plan:
 - a. Effective January 1, 2026, and January 1, 2027, there will be a dental open enrollment.
 - b. Effective January 1, 2026, the orthodontic lifetime maximum is increasing from \$3,000 to \$3,200.
 - c. Effective January 1, 2026, a new dental National Network benefit will be available for members that see a dental provider outside of Minnesota that is in their dental administrator's national network, but not in the State Dental Plan network. The National Network's annual deductible for non-preventive services is \$100 per person and \$300 per family. The National Network will have a 60% coinsurance for non-preventive services.
3. Other:
 - a. Effective upon contract ratification, the definition of dependent "Children" is modified to clarify when a foster child, child by legal guardianship, or child by placement to an employee (who is a relative) is considered an eligible dependent.
 - b. Effective upon contract ratification, the definition of dependent "Grandchildren" is modified to clarify when a grandchild is considered an eligible dependent.
 - c. Effective upon contract ratification, an Insurance Addendum will be added to contracts to standardize shared aspects of the insurance provisions of Sections 4-7 of the Insurance Article.
 - d. Effective January 1, 2026, the employer-paid basic life and accidental death and dismemberment (AD&D) coverage amounts will be standardized across bargaining units by using the 2025 plan design for MSCF employees. Many employees will have an increase in their benefit level.
 - e. Effective January 1, 2026, a new voluntary employee-paid legal services benefit will be offered following contract parameters with the State's disability insurance vendor.