

Date:	1/26/22	Time: 2pm
Union Proposal #	10	
MOU Section(s):	Article 7	

PROPOSAL:

Modify as follows:

Language removed

Language Added

ARTICLE 7--FRINGE BENEFITS

7 Medical Coverage

7.1 The Benefits Committee shall study all matters related to fringe benefits coverage and make recommendations regarding feasibility and cost efficiency. Special emphasis shall be given to the future plan design of health care coverage offered to all employees of the District in light of the requirements established for employers and individuals as a result of the Affordable Care Act and/or other applicable law and the need to control benefit cost. The Board shall provide all eligible employees with a choice of health plans, one of which must be the Kaiser Plan.

7.1.1 ~~From 7/1/02 to 6/30/05~~ ~~†~~The District will purchase for each employee and ~~his or her~~ **their** eligible spouse/dependents, at no cost to the employee, coverage under one of the **following programs: above-referenced medical Western Health Advantage, Sutter Health Plus, AETNA, or Kaiser. The District shall finance these** programs ~~up to~~ **at least at** the Kaiser Active rate. ~~The District enters CalPERS under the equal method which means that each month \$16 is given to employees and retirees who qualify for benefits under CalPERS. That \$16 must be spent on health benefits through CalPERS only. CalPERS vests after five (5) years, so employees who retire into PERS and STRS after five (5) years with the District, will now be eligible for the \$16 per month lifetime benefit. Spouses of deceased employees will also be eligible for the \$16. Additional funds in a Section 125 Plan matching bargaining unit language, minus the \$16, will be given to the employee to spend on their benefits including health, dental and vision. It is an “up to” amount and no refunds will be given.~~

7.1.1.1 ~~2002-2003, 2003-2004 and 2004-2005~~ For Active Employees

~~From 7/1/02 to 6/30/05~~ ~~†~~The District will contribute to a Section 125 Plan, for each eligible employee, an amount ~~up to~~ **at least at** the Kaiser Active

(single, two party, or family) benefit level plus an amount equal to the District's contribution for dental and vision. ~~Of that amount, \$16 will be allotted specifically for health premiums. The remaining funds are discretionary for purchase of health or dental/vision benefits. Any amount not expended will not accrue to the employee.~~

7.1.1.2 For Retired Employees

~~All current and prospective eligible retirees (under age 65) shall also become members of CalPERS for the provisions of life time retiree medical benefits. For eligible retirees (under age 65), the District shall contribute \$16 to CalPERS for health benefits, and provide to the retiree an amount equal to the Kaiser Active single benefit level, or the Kaiser or HealthNet single Medicare Risk program less \$16 in accordance with the contract. The remaining funds are discretionary for purchase of health or dental/vision benefits. Any amount not expended will not accrue to the retiree. Every month \$16 will be added and benefit costs will be deducted from their retirement checks. The District will send checks to the retiree to cover cost of eligible benefits less than \$16.~~

7.1.1.3 ~~During the 2013-2014 school year, the District initiated a bidding process for the purpose of providing all eligible employees with affordable, appropriate value, health care coverage. The District agrees to hold SEIU members harmless, ensuring that their co-pays and/or other out of pocket expenses related to will not increase, until December 31, 2015. The District and SEIU shall reopen negotiations regarding health insurance coverage in sufficient time to ensure an orderly open enrollment process for the 2016 calendar year.~~

7.1.1.4 Beginning in 2018-2019 school year, six (6) hour (or greater) bargaining unit members will contribute one third of one percent (1/3%) of base salary toward OPEB (retirement benefits).

7.1.2 Open Enrollment /"Switching"

7.1.2.1 There shall be either an annual "open enrollment" or "switching" period during which time an active or retired employee may change or amend ~~his or her~~ **their** carrier and/or dependency status ~~in accordance with CalPERS.~~

7.1.2.2 In the event that a health provider (i.e., medical, dental, vision, life, etc.) policy or plan is either terminated by the parties or canceled by the providers, then a "switching" period may be implemented to facilitate the needs of the impacted unit members.

7.2 **Dental Care**

7.2.1 The District agrees to offer the current dental plan **at the same rates as SCTA** for eligible employees and eligible dependents.

7.2.2 The District agrees to pay the cost of premiums for dental coverage according to the following schedule:

Eligible employees 100%
Eligible dependents ~~75~~100%

7.3 **Life Insurance**

7.3.1 The District agrees to maintain the current life insurance program.

7.4 **Vision Care**

7.4.1 The District agrees to offer vision care service **at the same rate as SCTA Plan B., with a deductible of \$10 or less** deductible for eligible employees and eligible dependents, ~~effective April 1, 1984.~~

7.4.2 The District agrees to pay the cost of premiums for vision coverage for eligible employees, **spouses, domestic partners,** and dependents at 100% of the composite rate listed by the **current vision care provider.** ~~California Vision Care Service.~~

7.5 **Employee Assistance Program**

The District shall contract with a third party vendor to provide a comprehensive employee assistance program. The cost of such program shall be borne by the District. The District shall retain the sole discretion to change or cancel the employee assistance program/plan; provided, however, that the District shall give the Union at least ~~thirty~~ **ninety (90)** days notice before said change or cancellation.

The Employee Assistance Program shall be made available to all employees.

7.6 **Flexible Reimbursement Account**

7.6.1 The Board shall establish a flexible reimbursement account under Section 125 of the Internal Revenue Code for each eligible employee requesting such an account. The flexible reimbursement account will be operated and administered to be in compliance with all city, state, and federal laws and regulations.

7.6.2 Each eligible employee shall be allowed to make an annual election to have their monthly compensation reduced by a specified amount for a deposit to their flexible reimbursement account.

7.6.2.1 Dependent Care: Up to ~~\$4,980 per year for use~~ **the rate** as allowed under Section 129 of the Internal Revenue Code.

7.6.2.2 Health Care: Up to \$4,000 per year allowed for use in covering the unreimbursed deductibles, co-pays, and coinsurance amounts under a group medical, dental, or vision benefits plan.

Each eligible employee requesting a flexible reimbursement account will have their account charged with a monthly administrative fee.

7.7 **Eligibility for Benefits**

7.7.1 Employees Who Work Four (4) Hours or More

Employees are eligible as defined by CalPERS. Currently, bargaining unit employees who work four (4) hours or more per day and whose employment commitment is for six (6) months or longer for the District will be entitled to full insurance coverage. Hours spent on in-unit work and on out-of-unit work will be counted in determining eligibility for this benefit.

7.7.2 Employees who work more than three (3) but less than four (4) hours

Bargaining unit employees who work at least three (3) hours per day but less than four (4) for the District are not eligible for CalPERS **current District benefits** but may purchase benefits through the District ~~as long as it is available~~.

7.7.3 Short-term temporary and short-term substitute employees and students temporarily employed and other employees whose regular assignment is less than fifteen (15) hours per week ~~shall not be eligible for insurance benefits.~~ **shall be eligible to receive medical benefits at 25% of the composite rate listed by the current medical care provider. If the employee chooses to opt out of this offer, the District shall compensate them for 25% of medical care rate provided.**

7.8 **Benefits While on Leave**

7.8.1 Employees who are absent because of illness or injury, and who have exhausted sick leave benefits, shall continue to be covered by fully paid insurance coverage through the end of the following month of the school year in which sick leave is exhausted. For example, if sick leave exhausts on March 15, benefits would be covered through April 30.

7.8.2 Except as provided in Section 7.7.1 above, employees who are absent because of illness or injury and who have exhausted all accumulated paid leaves shall be permitted to receive full insurance coverage by remitting to CalPERS **the**

current negotiated health care provider the entire premium payments during the period of time such employee is on leave.

7.8.3 Employees on Board-approved unpaid leave may continue to receive full coverage of insurance benefits if they remit the entire premium payment to the current negotiated health care provider CalPERS.

7.8.4 When an employee with at least five (5) years PERS credit has been diagnosed by a physician as having a terminal illness, the District shall continue to pay health benefits for the employee until the employee's demise.

7.8.5 The District shall continue to pay health insurance premiums for the surviving dependents of an employee with at least five (5) years PERS credit who dies while in service. The premiums will be paid for the balance of the school year in which the death occurs and the first six (6) months of the following school year.

7.9 **Retirees' Benefits**

The District agrees to pay the medical insurance premiums (up to CalPERS Kaiser single or otherwise required under the contract) for employees who retired on or after the respective bargaining units were certified by

Unit A: Aides-Paraprofessional Unit--May 3, 1978

Unit B: Operations-Support Services--November 18, 1977

Unit C: Office-Technical Unit--November 18, 1977

7.9.1 Employees with more than nine (9) years of consecutive District service as of May 21, 1996, are entitled to the retiree benefits under this section 7.9 provided such employee has reached fifty (50) years of age and had at least ten (10) consecutive years of service with the District immediately prior to retirement.

7.9.2 Employees with less than nine (9) years of consecutive District service as of May 21, 1996, shall be entitled to the retiree benefits of this section 7.9 provided such employee has reached fifty-five (55) years of age and had at least ten (10) consecutive years of service with the District immediately prior to retirement. Employees covered by this section 7.9.2 must elect a Medicare Risk Program when they have reached sixty-five (65) years of age. The District will pay up to single Kaiser Risk or HealthNet Risk rate, whichever is higher.

7.9.3 Employees hired on or after May 21, 1996, shall be entitled to 100% of the retiree benefits of this section 7.9 provided such employee has reached sixty (60) years of age and has at least twenty (20) consecutive years of service with the District immediately prior to retirement.

7.9.4 Employees hired on or after May 21, 1996, shall be entitled to 50% of the benefits of this section 7.9 provided such employee has reached sixty (60) years of age and has at least ten (10) consecutive years of service with the District immediately prior to retirement. The benefit of this section 7.9.4 is contingent upon the retiree paying the remaining balance of the premium when due.

7.9.4.1 The term "consecutive years of service" refers to District employment in any position regardless of status as a benefited employee.

7.9.5 Employees covered by section 7.9.3 and 7.9.4 must elect a Medicare ~~Risk~~ **Advantage** Program when they have reached sixty-five (65) years of age.

7.9.6 Board approved leaves will be deemed to constitute service for the purpose of eligibility for this benefit. In calculating continuous service, prior service of employee who resigns and is re-employed within one year shall be counted. A surviving spouse may elect to continue this benefit so long as he/she pays the entire insurance premium to the District.

7.9.7 Retirees who elect to take the benefit provided in this Section 7.9, will have the option of paying the premium for dental, life and vision care or none of these additional benefits. Such retirees will also have the option of being covered by paying the total premium for **spouse**/dependents of the health and accident plan and/or the dental, and life, plans or the vision care plans.

7.9.8 It will be the retiree's responsibility to make application for enrollment for the benefits described in this Section 7.9. It will be the District's responsibility, after consulting with the Union, to develop implementing procedures for the benefits described in this Section 7.9.

7.9.9 Eligible employees who retire with five (5) or more and less than ten (10) years of ~~PERS-credited~~ **continuous** service immediately prior to retirement may keep any insurance benefit available to employees at the time of retirement by paying the entire premium. (Note: Dental and life insurance are optional, but for both dental and life or neither.)

7.10 **Health and Welfare Benefits Committee**

7.10.1 The District and classified employee bargaining unit representatives shall appoint a joint committee whose tasks shall be to:

1. examine the status, benefits and cost of ongoing medical, dental, life insurance and worker's compensation programs;
2. explore any needed changes or alternative benefits appropriate to the District and/or employee groups, which may include, but not be limited to, District-sponsored vision care plans, annuity plans, income protection plans, etc.; and

3. make appropriate recommendations to official District and bargaining unit representatives for consideration by means of the appropriate collective bargaining process.

7.10.2 The **joint Health and Welfare Benefits** committee shall be comprised of six (6) members, three (3) of whom shall be appointed by SEIU **leadership** and three (3) of whom shall be appointed by the District. **The District committee members shall not be drawn from the SEIU bargaining unit.** In addition to the three (3) voting members, each appointing body shall appoint two (2) alternate committee members who can vote only upon the absence of the voting member(s). Alternate members are to attend meetings, participate in discussions, and cast ballots for absent voting members of their respective unit. In no case shall more than three (3) votes be cast by any individual unit on any issue before the committee. If desired, SEIU committee members may request separate subcommittee meetings with District committee members to discuss benefits related solely to their respective bargaining units.

7.10.3 Formal committee and subcommittee meetings and place of meetings shall be arranged and scheduled by the administrator, Employee Relations, and the committee and/or designated subcommittees shall meet as often as necessary to accomplish assigned tasks.

7.10.4 The committee and/or subcommittee shall develop an agenda and submit minutes for each meeting to officially designated District and bargaining unit representatives and to all committee members. **The committee shall meet monthly.**

7.11 **Single Coverage Rebate**

7.11.1 The formula for the single coverage rebate shall be as follows:

A monthly cash refund amounts for single health care coverage shall be calculated to be (1) twenty-five (25%) percent of the lowest single premium rate in effect on ~~July~~ **Jan** 1 of each year for that health plan provider and (2) for all other providers, fifteen (15%) percent of the average of all single premium rates in effect on ~~July~~ **Jan** 1 of each year.”

7.11.2. As an illustration, the July 1, 1996 refund amounts calculated under the above formula will be as follows:

Maxicare	\$ 39.92
All Others:	\$ 24.64

7.11.3 The single coverage rebate amount shall be recalculated on January 1 of each year.

~~7.12~~ **Shared Savings**

~~During the 1998/1999 negotiations, the SEIU bargaining unit agreed to a contract change in the delivery of health benefits to CalPERS. This change produced an estimated savings equal to approximately a 1% increase in salaries of SEIU bargaining unit members. During the life of this contract (2002-2005) the District shall continue to share any savings resulting from this action to the SEIU bargaining unit.~~