

Note: The changes proposed below are intended to streamline and clarify provisions throughout the Article. It is not the District's intent that any bargaining unit member's current entitlement to health and welfare benefits be adversely impacted by these changes.

ARTICLE 9: HEALTH AND WELFARE BENEFITS

9.0 Unit members shall be eligible for the health and welfare benefits herein described in accordance with the following provisions.

9.1. ELIGIBILITY

9.1.1 Full-Time. All bargaining unit members employed full time shall be eligible for the health and welfare benefits as set forth herein.

9.1.2 Part-Time. All bargaining unit members employed part-time shall be entitled to all health and welfare benefits for which they meet the eligibility requirements on a pro-rated premium basis in the same ratio as the regular work hours per day, days per week, weeks per month, months per year of such part-time employee bear to eight (8) hours per day, forty (40) hours per calendar week, four (4) calendar weeks per month, or-twelve (12) calendar months during the school year. For the purpose of PERS eligibility only, hours of employment shall also include hours in paid status as Playground/Recess / Noon Aide. The District contribution shall be based upon hours employed in a bargaining unit position as defined in Article 2 of this Agreement. The employee shall pay by payroll deduction the balance to equal the total premiums Note: Formerly Article 9.4.1

9.1.3 Deductions for payment of any health and welfare premiums shall be made in ten (10) equal salary deductions.

9.1.4 For those employees not eligible for PERS (those employees who work less than 20 hours per week or less than six months in duration), the District shall contribute on a prorated basis, for an Individual Health Plan. Note: Formerly Article 9.4.4

9.1.5 A bargaining unit member who becomes eligible and enrolls during the open enrollment period of each year for coverage under this Agreement shall be deemed to meet the eligibility requirement for that year. The proration of benefits for bargaining unit members employed part-time shall be based upon the employee's assignment as of September 1 of each year. If a bargaining unit member's assignment for any full month thereafter is increased by two hours or more on a continuous basis over a one month period or is decreased by two hours or more on a continuous basis over a one month period, the proration of benefits shall be adjusted upward or downward the following month. Note: Formerly Article 9.4.2

- 9.1.6 All bargaining unit members employed prior to July 1, 1972, who were receiving full District contributions of premiums, shall continue to receive those benefits regardless of the number of hours employed. Such “full District contributions” shall mean the maximum District contribution of \$11,000 per year toward medical insurance only. This maximum annual contribution shall include the PERS minimum base contribution provided in section 9.2.1 below. Note: Formerly Article 9.4.3

9.2 DISTRICT CONTRIBUTIONS

Contributions shall be made towards health and welfare benefits as follows.

- 9.2.1 Minimum PERS Base Contribution. During the term of this Agreement, the District shall contribute the minimum base contribution per year for health benefits for active and eligible unit members to the Public Employees’ Retirement System (PERS) Health Benefits Program.
Note: Formerly Article 9.1
- 9.2.2 Maximum District Medical Insurance Contribution. The maximum annual contribution for each eligible unit member shall not exceed \$11,000 towards PERS medical insurance for the contract year of July 1, 2015 – June 30, 2016. Effective July 1, 2016, or upon ratification of the Agreement, whichever comes later; the above annual maximum contribution shall increase by \$500. Effective January 1, 2017, the above annual contribution shall be increased by an additional \$500, which will increase the above annual maximum contribution to \$12,000. The maximum annual contribution shall include the PERS minimum base contribution provided in section 9.2.1 above. Note: Formerly Article 9.1.2
- 9.2.3 District Dental, Vision, and Life Contribution. The District shall provide for each eligible unit member a maximum annual contribution not to exceed the cost for employee only coverage or, if applicable, a lesser super composite rate (PMI), toward the following District insurance plans: Delta Dental Plan or PMI Dental Plan, Mutual of Omaha (life), and Vision Service Plan as listed in Exhibit I. Note: Formerly Article 9.1.3
- 9.2.4 An employee may choose to enroll in either the Delta Dental Plan or PMI Dental Plan but not both. Enrollment or any change in enrollment with respect to said plans shall be performed by an employee in accordance with terms and conditions of said plans, including the limitations of the open enrollment period. Note: Formerly Article 9.1.4
- 9.2.5 The District shall contribute the full premium for the Employee Assistance Plan (EAP) through CIGNA for all bargaining unit members. Note: Formerly Article 9.1.5
- 9.2.6 An active unit member whose spouse is also an employee of the District, and eligible to receive a District contribution toward medical insurance, may combine benefit contributions to purchase any PERS medical insurance plan provided that only one employee is identified as the subscriber and the District contribution for

each individual employee does not exceed the premium for such medical insurance plan. Note: Formerly Article 9.2

9.2.7 The rates as presented in Exhibit I remain in effect until the benefits providers notify the District of a change in rates, at which time the parties will meet to negotiate the rates in Exhibit I. The District contribution shall remain in effect until negotiated otherwise. Note: Formerly Article 9.3

9.2.8 Administrative Fee. Effective January 1, 2011, the CalPers medical insurance rates as presented in Exhibit I shall reflect the actual regional rates published by CalPers and shall not be increased by the administrative fees imposed by CalPers. Any such administrative fees shall be borne by the District on and after January 1, 2011.

9.3 BENEFITS ADMINISTRATION

The Association and the District agree to the continuation of a committee to be known as the "Joint Benefits Committee." It shall be composed equally of District representatives appointed by the District and bargaining unit members appointed by the Association, and other District recognized employee organizations, should they choose to be a party to the committee. This committee shall meet periodically on an as needed basis during the six (6) months prior to the insurance contract renewal dates to research and review proposed and existing programs to insure that quality and cost effectiveness criteria are maintained. The committee shall meet periodically with insurance providers to determine that benefits and premiums are being accorded as required by the various benefits programs. Anytime the District meets with other employee groups to discuss benefits, excluding negotiations, the parties agree that the Association shall be invited to such meetings for information purposes. Any changes recommended by this committee would be the subject of the collective bargaining procedure with each individual bargaining unit. Note: Formerly Article 9.5

9.4 CONTINUATION - DISABILITY

Subject to approval by the benefit carriers, a bargaining unit member may be allowed to continue participation in any or all programs provided in this Article during absence on an unpaid disability leave for a period not to exceed thirty-nine (39) months. Dental and vision premium payments by the unit member must be made in a timely fashion directly to the District. Medical premium payments by the unit member must be made in a timely fashion directly to the carrier. Note: Formerly Article 9.6

9.5 CONTINUATION OF BENEFITS

The District will act to ensure conformity with the provisions of and the regulation adopted pursuant to Title XXII of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"). COBRA currently provides for the temporary health plan coverage (vision, dental, and health only) for employees, spouses and dependents under certain circumstances. This article shall not be construed to give any rights beyond those provided in COBRA. Note: Formerly Article 9.7

9.6 CONTINUATION - LAYOFF

Based on approval by the carrier, the bargaining unit member who is laid off for lack of work or lack of funds may continue participation in any or all programs provided in this Article for a period of twelve (12) months by making timely dental and vision premium payments directly to the District and medical premium payments directly to the carrier. Any bargaining unit member laid off for lack of work or lack of funds shall be concurrently eligible for coverage provided by COBRA. Note: Formerly Article 9.8

9.7 RETIREMENT HEALTH BENEFITS-EMPLOYEES HIRED ON OR BEFORE JULY 31, 2004

The following provisions shall apply to unit members hired on or before July 31, 2004.

9.7.1 Based on approval by the carrier, the District agrees to allow all bargaining unit members who retire to maintain their health insurance plan, remaining on the group plan by making timely payments directly to the carrier. A member of the bargaining unit who retires after fifteen (15) years of service, as defined in Education Code 45309, to the District under the provisions of the Public Employees' Retirement System (PERS) and has attained at least the age of fifty-five (55) may, at the retiree's option, elect for the District to pay one hundred percent (100%) for employee only, medical insurance only, for either: 1) any continuous five (5) year period after date of retirement, or 2) until age 65.

Coverage is subject to the conditions and provisions of the District's insurance program, and is limited to group medical plans. After the period of District paid benefits expires, based on approval of the carrier, a retiree bargaining unit member may maintain the medical insurance plan, group only, by making timely payments directly to the carrier. Note: Formerly Article 9.9.1.1

9.7.2 A member of the bargaining unit who retires after fifteen (15) years of service, as defined in Education Code 45309, to the District under the provisions of the Public Employees' Retirement system (PERS) and has attained at least the age of fifty-five (55) may, at the retiree's option, elect for the District to pay one hundred percent (100%) of the annual contribution being paid for the employee for employee only, vision insurance only, for either: 1) any-continuous five (5) year period after date of retirement, or 2) until age 65. Coverage is subject to the conditions and provisions of the District's insurance program, and is limited to the vision plan. After the period of District paid benefits expires, based on approval of the carrier, a retiree bargaining unit member may maintain the vision insurance plan by making timely payments directly to the District under the provisions of COBRA. Note: Formerly Article 9.9.1.2

9.7.3 If there is no fully insured indemnity fee for service health care plan and only an HMO health care plan and/or a managed care plan, the district shall pay one hundred percent (100%) of the contribution currently being paid for current employees, employee only. The maximum amount to be contributed by the District shall be one hundred percent (100%) of the contribution currently being paid for employee only for the highest HMO in the PERS Health Plan. If there is

no indemnity fee for service health care plan, each eligible retiree will be given the opportunity to enroll in the managed care plan or receive an annual payment equal to one hundred (100%) of the contribution currently being paid for employee only for the highest HMO in the PERS Health Plan. Each retiree will be given only one opportunity to select either option, and the one-time selection shall be irrevocable. Note: Formerly Article 9.9.1.3

- 9.7.4 After exhaustion of retiree health benefits under this Article and for retirees who do not qualify for benefits under this Article, the District shall contribute the minimum base contribution provided for in Section 9.2.1 per year towards employee only, medical only, benefits. If the retiree chooses to participate in this health benefits plan, the retiree shall be responsible for the costs of the health plan selected in excess of the District's annual minimum base contribution per year. The District's contribution to such benefit shall be provided so long as the District continues to participate in the PERS health benefits plan. Upon termination of the District's participation in the PERS health benefits plan, the District's obligation for payment of its contribution shall cease.
Note: Formerly Article 9.9.1.4

9.8 **RETIREMENT HEALTH BENEFITS-EMPLOYEES HIRED ON OR AFTER August 1, 2004.**

The following provisions shall apply to unit members hired on or after August 1, 2004:
Note: Formerly Article 9.9.2

- 9.8.1 The District shall provide the minimum base contributions required by the Public Employees' Retirement System (PERS) towards PERS medical insurance for eligible retirees. The District PERS medical benefit options are listed in EXHIBIT I.

Note: Formerly Article 9.9.2.1

- 9.8.2 The District shall provide a maximum supplemental annual contribution for each eligible unit member not to exceed \$3,468 towards PERS, employee only, medical insurance. This maximum supplemental contribution shall include the PERS minimum base contribution provided in Section 9.2.1 above. Note:
Formerly Article 9.9.2.2

- 9.8.3 To be eligible for retiree medical insurance, the retiring unit member must have retired after fifteen (15) years of service to the District under the provisions of the Public Employees' Retirement system, (PERS) and attained at least the age of fifty-five (55). Unit members who meet these requirements shall be eligible to receive the maximum annual contribution provided in Section 9.8.2 above, until age 65. Note: Formerly Article 9.9.2.3

- 9.8.4 The District's maximum contribution shall be pro-rated for part-time unit members based on their regularly assigned hours at the time of retirement. Note:
Formerly Article 9.9.2.4

9.9 **BENEFIT PLAN PAYMENTS**

The District agrees to provide bargaining unit members payroll deductions for benefit programs authorized by the District and shall remit this money along with other regular payments to benefit providers with the exception of those bargaining unit members enrolled in the non-PERS Health Individual Plan who make their medical premium

payments directly to the carrier and are then reimbursed the appropriate pro-rated percentage by the District. Note: Formerly Article 9.10

9.10 PRE-TAX EARNINGS Note: Formerly Article 9.11

9.10.1 Employee contributions for health and welfare benefits provided pursuant to Section 125 (Flexible Benefits) of the IRS Code are to be paid at employee's option with pre-tax earnings. Employee selection of this option shall be made available during the open enrollment period. Unit members shall submit all required written authorizations by the deadline.

9.10.2 All bargaining unit member's health and welfare benefits contributions shall be deducted as pre-tax dollars from employee earnings upon submission by the unit member of all required written authorizations by the deadline. The bargaining unit member may be required to submit such authorization no more than twice within the first two years of employment.

9.11 CalPERS 457 DEFERRED COMPENSATION PROGRAM

Note: Formerly Article 9.12

Unit members will be allowed to participate in CalPERS 457 Deferred Compensation Program as established pursuant to Sections 21670 through 21685 of the Government Code of the State and is intended to constitute an "eligible deferred compensation plan" within the meaning of Section 457 of the Federal Internal Revenue Code. Unit members electing to participate shall fill out the required documents and forms and submit them to the District for processing. Unit member participation will be limited to the Deferred Compensation Program Plan Document and all State and Federal tax laws.