

1 **ARTICLE 8 - HEALTH & WELFARE BENEFITS**

2 **8.0 Eligibility** - A unit member must be employed in a position of four (4) or more hours
3 a day, or a minimum of twenty (20) hours a week, to be eligible to participate in the benefit
4 plans of the district.

5 **8.1 District Benefits**

6 Hospitalization /Medical Plan*
7 Dental Plan*
8 Individual dental (part time employees only)
9 Life insurance \$ 25,000 (full time only - no proration)
10 IRC - 125*

11 Except as provided in Section 8.1.1, the District will fully fund benefit costs for a 7-hour or
12 more employee through the expiration of the Agreement. Specific coverage of each benefit
13 plan may change yearly based on recommendations of the Benefits Advisory Committee.
14 Any change in benefits listed above will be subject to negotiations. Any increase in District
15 benefit cost may be considered as a part of salary negotiations.

16 8.1.1 **Unit Members Hired After June 30, 2006** - The District shall fully fund on
17 behalf of the unit members hired on July 1, 2006, or thereafter, the lowest cost HMO
18 and dental plans offered. Effective July 1, 2021, the District shall fully fund on behalf
19 of the unit members hired on July 1, 2006, or thereafter, the cost of one of the two
20 (2) lowest cost HMO plans and one of the two (2) dental plans offered.

21 If the unit member chooses to participate in a more expensive hospitalization /
22 medical or dental plan offered by the District, the unit member shall pay the
23 additional cost through monthly payroll deduction. Such unit members employed
24 for less than seven hours per day shall be entitled to prorated benefits as set forth
25 in Section 8.2 below.

26 **8.2 Proration of Benefits** - Eligible unit members employed less than 7 hours a day/35
27 hours a week may choose specified* District benefits on a pro-rated basis as listed below.
28 Part-time unit members will pay his/her portion of the premium through payroll deduction
29 on an equal basis per pay period. The District will post rates in the benefits office during
30 open enrollment. The payments may vary, but will never exceed the percentages listed
31 below.

<u>Hours per day</u>	<u>% employee cost</u> <u>thru 4/30/2021</u>	<u>% employee cost</u> <u>effective 5/1/2021</u>
4 hrs	50.00 %	42.86%

1	4 hrs 15 min	46.88 %	39.29%
2	4 hrs 30 min	43.75 %	35.71%
3	4 hrs 45 min	40.63 %	32.14%
4	5 hrs	37.50 %	28.57%
5	5 hrs 15 min	34.38 %	25.00%
6	5 hrs 30 min	31.25 %	21.43%
7	5 hrs 45 min	28.13 %	17.86%
8	6 hrs	25.00 %	14.29%
9	6 hrs 15 min	21.88 %	10.71%
10	6 hrs 30 min	18.75%	7.14%
11	6 hrs 45 min	15.63 %	3.57%

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13 **8.3 Effective dates of insurance** - District benefit plans are in effect July 1 through the
14 following June 30.

15 **8.4 Deductions & Payments** - Payments to District benefit plans are made equally
16 during the year. Any deductions authorized by the unit members will correspondingly be
17 deducted July through June. (July for August coverage, etc.)

18 **8.5 Continuation of Plan** - Authorized deductions for District or Voluntary benefit plans
19 will be continued unless requested in writing by the unit member to discontinue during open
20 enrollment. Adjustments of any necessary payroll deductions will automatically be made
21 to reflect rate changes and/or changes in the amount of the unit member's contribution.

22 **8.6 Application for District Benefits**

23 a. A newly eligible unit member may select medical and/or dental coverage within
24 thirty (30) days of becoming eligible (the effective date of action, as identified on
25 the top of the D-67). The unit member is responsible for initiating the request for
26 this new coverage. Applications are to be completed and returned to the District
27 benefits office before the new coverage can be initiated. Coverage initiated
28 between the 16th and the 30th and the 1st to the 15th of the following month will
29 become effective on the first of the month following the 15th. The District will make
30 every effort to notify the employee of their eligibility;

31 Example: A 3-hour unit member who becomes a 6-hour unit member effective
32 September 10 will have until October 9 to apply for coverage.
33 Application completed and returned by September 15; coverage effective
34 October 1.

1 Application completed and returned by September 20; coverage effective
2 November 1.

3 Application completed and returned by October 9; coverage effective
4 November 1.

5 **b. A previously eligible unit member** may select such coverage only during open
6 enrollment, May 1 through June 15 with coverage to become effective July 1.

7 **8.7 Voluntary Benefit Deductions**

8 Disability Insurance * Life Insurance
9 Cancer Insurance Tax Shelter Annuity
10 Credit Union **
11 EFT - Electronic Fund Transfer - full paycheck**

12 Eligible unit members may request payroll deduction for any county authorized voluntary
13 payroll deduction on a voluntary basis, subject to all State, Federal, County, and District
14 requirements.

15 Voluntary deduction requests shall be received in the payroll department totally
16 completed, no later than the last working day of the month prior to their initial deduction.
17 All deductions will begin on the first payroll of the month.

18 Voluntary deduction drop requests shall be received in the payroll department no
19 later than the last working day of the month. All drops are effective on the first payroll of
20 the month. A voluntary deduction placed in the Districts IRC-125 plan, may only be
21 terminated during open enrollment.

22 * CSEA has recommended and/or special policies – See CSEA for information

23 ** may be initiated or dropped any pay period with a 15 day advance notice.

24 **8.8 Leaves of Absence** - Unit members on Board authorized leaves of absence
25 without pay shall have the option of continuing District insurance plans at their own
26 expense during the period of unpaid leave. Leave of absence extending more than 90
27 days will be placed under the Consolidated Omnibus Budget Reconciliation Act (COBRA)
28 plan for up to 18 months.

29 **8.9 Paid Hospitalization/Medical Retirement Incentive Program** - The District will
30 continue hospital/medical plan for the unit member, up to two (2) party coverage, for ten
31 (10) years or until the unit member turns 65 or reaches Medicare's minimum eligible age.
32 Coverage is contingent upon limitations or conditions that the carrier may set forth. The
33 unit member must meet all of the provisions of this Article.

34 **a.** Unit member's age is fifty (50) or above;

- 1 b. Completion of 15 years of benefit eligible service with the District. (20 hours a
2 week or more);
3 c. Letter of resignation received thirty (30) days prior to retirement date.
4 (cont)

5 **Example:** A full time unit member:
6 15 years x 8 hours = 120 units = 100% of premium paid
7 **Example:** A part time unit member:
8 5 years x 4 hours = 20 units
9 6 years x 5 hours = 30 units
10 4 years x 6 hours = 24 units
11 15 years = 74 units 74/120 = 61.6% premium paid

- 12 d. If the unit member or spouse becomes Medicare eligible, they must pledge both
13 parts a. and b. of their Medicare to the District's medical plan and the District
14 will provide a supplement plan. The supplement plan shall be as close to
15 regular District benefits as available.

16 If a retiree moves out of state, where the District does not have a plan available, the District
17 will reimburse the retiree for the lesser of the actual cost to the retiree for the insurance or
18 the average of the HMO premiums available if they stayed in the state, providing the
19 following conditions are met: a) The retiree secures health insurance of their choice, b)
20 shows proof of coverage, and c) provides a receipt of payment or canceled check.

21 If a husband and wife are both unit members, and both retire at the end of the same month,
22 or during the same school year, the District will pay for only one (1) medical program.
23 Should one (1) spouse die, the eligibility for medical insurance coverage under this Article
24 would automatically transfer to the surviving spouse.

25 **8.10 Retirees - Right To Purchase** - Unit members who retire from the District shall
26 have the option of continuing District insurance plans (excluding life insurance) at their own
27 expense, at the established group rate. Coverage is contingent on there being no break
28 in coverage under District plans, and subject to any limitations imposed by the insurance
29 carrier. The retired unit member will be responsible for submitting payment for the
30 insurance premium to the benefits office of the District on the time schedule established by
31 the District. Failure to meet the premium payment schedule will result in the retired unit
32 member being terminated from the District's insurance plans. The District shall make
33 available to retirees a Medicare supplement plan, at the retiree's cost, when the benefits
34 provided for in Sections 8.9 and 8.10 expire.

1 **8.11 Carriers and Coverage** - Specific carriers and coverage of District insurance plans
2 shall be mutually agreed to by the Association and the District. Requests by either party
3 to change existing insurance plans must be submitted to the Benefits Advisory Committee
4 in a timely manner.

5 **8.12 Benefit Advisory Committee** - The District's Benefits Advisory Committee will
6 review and make recommendation of carriers and changes in coverage. The Committee to
7 meet at least quarterly and review plan premiums and proposed changes in legislation
8 along with the review and formulation of benefit requirements to meet plan and/or
9 legislative mandates. The Committee shall also review employee concerns to decide
10 whether a recommendation should be made to the District and bargaining units for changes
11 in the ongoing benefits of the District. CSEA will continue to be an equal participant in this
12 committee.

13 **8.13 Alternative Retirement Plan** - Unit members not in PERS, working less than four
14 (4) hours per day, shall have an alternative retirement plan. (See Article 6.7)

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