

## **DISTRICT ISSUE #4—ARTICLE 37--HEALTH CARE**

The District proposes to modify the Article 37 provision regarding health insurance for bargaining unit members to reflect the establishment of the ACSHIC EPO as the base plan, with employees provided the opportunity to “buy up” to the PPO plan by paying the difference in premium cost. The EPO plan provides benefits which are generally equal or comparable to the PPO plan. The District is proposing no premium contributions for 2019-2020 and very low premium contributions for the two years following, with the low premium contributions for the years following representing a reduction in the percentages paid by many Federation members under the expired CBA.

It should be noted that at present other District bargaining units have moved to an EPO base plan under their Collective Bargaining Agreements. Specifically, the District’s transportation employees (at Article XXI, Section 3, Paragraph A for bus drivers and bus aides, and Article XXI, Section 1, Paragraph A. for mechanics and servicemen) and the District’s custodial and maintenance employees (at Article XII, Section 2, A) have agreed to the ACSHIC EPO plan as the base health insurance plan. The District’s Federation secretaries are able to elect either the ACSHIC PPO or EPO, but effective for the 2019-2020 school year, the EPO becomes the base plan for employees, and they are required to “buy up” to the PPO plan if they desire to remain in it. Those Collective Bargaining Agreements are set forth at Tab B. Accordingly, the District’s proposal in this matter is consistent with the health care arrangements in place with the District’s other non-teacher bargaining units.

### **ARTICLE 37 – Group Hospital – Medical Insurance**

The District will provide to all full-time employees the Standard Plan 1 (currently the Highmark PPO) Medical Insurance benefit as approved by the ACSHIC. Any changes which the Trustees of the Consortium make to the benefit design or provider of this plan shall become part of the coverage under this section. **Beginning July 1, 2019 all bargaining unit members will be moved to the EPO Plan. Members will be permitted to select the PPO plan and pay the difference in cost plus the normal premium contribution listed below.** The following conditions shall apply:

Subject to changes by the ACSHIC, the following kinds of coverage shall be offered, based on the employer’s need:

1. Family
2. Husband and Wife
3. Individual
4. Parent and Child
5. Parent and Children

All employees ~~whose gross base annual salary exceeds \$30,000.00 and~~ who are enrolled in the Health Care Insurance under this collective bargaining agreement shall pay the following premium contribution:

~~Individual coverage: .525% of gross salary earned~~  
~~All other coverage: .95% of gross salary earned~~

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Steps 2-9	Current	Current	0.00%	0.00%	1.00%	1.00%
Steps 10-11	Current	Current	0.00%	0.00%	1.00%	1.50%

Bargaining Unit members will continue to pay the premium contribution they are currently paying through June 30, 2019.

~~Effective with the 2015-2016 school year,~~ Eligible employees will pay monthly a 2.0% contribution of the total monthly premium cost for the requested coverage **until June 30, 2018.**

The Employer agrees to adopt an IRS Code Section 125 Plan to protect employee health care premium contributions to the extent possible without additional financial expense to the Employer consistent with the subject to all applicable statues and regulations as the same may be amended from time to time. The IRS Code Section 125 plan will also be used on a voluntary basis, to shield other eligible expenses, such as out-of-pocket medical expenses and dependent-care-costs.

~~By July 1, 2015,~~ The District will establish and provide a Flexible Savings Account (FSA) for voluntary use by eligible employees at no charge to the employee. Employees who participate will be permitted to make contributions via payroll deduction in accordance with applicable IRS Code.

#### Hospitalization and Major Medical Withdrawal for ~~Full-Time~~ Full-Time Employees

- A. An employee may elect to withdraw from the Group Hospital – Medical insurance program provided for by this Agreement; and in lieu thereof, receive a benefit of \$150.00 per month of coverage for each month that the employee does not participate in the program. This money will be placed into a tax sheltered annuity of the employee’s choice and will occur in the month that coverage is withdrawn. If and District Federation employee or group of District Federation employees becomes eligible to receive a higher amount of reimbursement, this bargaining unit shall also be eligible for the highest rate available reimbursement rate.
- B. The employee withdrawing from the insurance program must notify the District in writing that **he or she** ~~she~~ is withdrawing from the medical insurance program effective immediately and direct the District to immediately cancel **his or her** medical insurance with the District carrier. Such written notice is to be submitted on a District form and sent to the Benefits Coordinator.
- C. The stipend provided for herein shall be paid twice per month or per pay period for the time in which the employee does not participate in the medical insurance program.
- D. The employee may rejoin the medical insurance program during the District’s annual open enrollment period only, unless the employee has a qualifying event per IRS and Consortium rules. The employee is to do so via written notice on a District form to the Benefits Coordinator.

