

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

23 **8.2 Proration of Benefits** - Eligible unit members employed less than 7 hours a day/35
24 hours a week may choose specified* District benefits on a pro-rated basis as listed below.
25 Part-time unit members will pay his/her portion of the premium through payroll deduction on
26 an equal basis per pay period. The District will post rates in the benefits office during open
27 enrollment. The payments may vary, but will never exceed the percentages listed below.

<u>Hours per day</u>	<u>% employee cost</u>
4 hrs	50.00 %
4 hrs 15 min	46.88 %
4 hrs 30 min	43.75 %
4 hrs 45 min	40.63 %
5 hrs	37.50 %
5 hrs 15 min	34.38 %

1	5 hrs 30 min	31.25 %
2	5 hrs 45 min	28.13 %
3	6 hrs	25.00 %
4	6 hrs 15 min	21.88 %
5	6 hrs 30 min	18.75%
6	6 hrs 45 min	15.63 %

7 **8.3 Effective dates of insurance** - District benefit plans are in effect July 1 through the
8 following June 30.

9 **8.4 Deductions & Payments** - Payments to District benefit plans are made equally
10 during the year. Any deductions authorized by the unit members will correspondingly be
11 deducted July through June. (July for August coverage, etc.)

12 **8.5 Continuation of Plan** - Authorized deductions for District or Voluntary benefit plans
13 will be continued unless requested in writing by the unit member to discontinue during open
14 enrollment. Adjustments of any necessary payroll deductions will automatically be made to
15 reflect rate changes and/or changes in the amount of the unit member's contribution.

16 **8.6 Application for District Benefits**

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

25 Example: A 3-hour unit member who becomes a 6-hour unit member effective
26 September 10 will have until October 9 to apply for coverage.

27 Application completed and returned by September 15; coverage effective
28 October 1.

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

31 Application completed and returned by October 9; coverage effective
32 November 1.

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

1 **8.7 Voluntary Benefit Deductions**

- 2 Disability Insurance * Life Insurance
- 3 Cancer Insurance Tax Shelter Annuity
- 4 Credit Union **
- 5 EFT - Electronic Fund Transfer - full paycheck**

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

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

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

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

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

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

23 **8.9 Paid Hospitalization/Medical Retirement Incentive Program** - The District will
24 continue hospital/medical plan for the unit member, up to two (2) party coverage, for ten
25 (10) years or until the unit member turns 65 or reaches Medicare's minimum eligible age.
26 Coverage is contingent upon limitations or conditions that the carrier may set forth. The unit
27 member must meet all of the provisions of this Article.

- 28 a. Unit member's age is fifty (50) or above;
- 29 b. Completion of 15 years of benefit eligible service with the District. (20 hours a
30 week or more);
- 31 c. Letter of resignation received thirty (30) days prior to retirement date.

32 (cont)

33 **Example:** A full time unit member:
34 15 years x 8 hours = 120 units = 100% of premium paid

1 **Example:** A part time unit member:
2 5 years x 4 hours = 20 units
3 6 years x 5 hours = 30 units
4 4 years x 6 hours = 24 units
5 15 years = 74 units 74/120 = 61.6% premium paid

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

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

15 If a husband and wife are both unit members, and both retire at the end of the same month,
16 or during the same school year, the District will pay for only one (1) medical program.

17 Should one (1) spouse die, the eligibility for medical insurance coverage under this Article
18 would automatically transfer to the surviving spouse.

19 **8.10 Retirees - Right To Purchase** - Unit members who retire from the District shall have
20 the option of continuing District insurance plans (excluding life insurance) at their own
21 expense, at the established group rate. Coverage is contingent on there being no break in
22 coverage under District plans, and subject to any limitations imposed by the insurance
23 carrier. The retired unit member will be responsible for submitting payment for the
24 insurance premium to the benefits office of the District on the time schedule established by
25 the District. Failure to meet the premium payment schedule will result in the retired unit
26 member being terminated from the District's insurance plans. The District shall make
27 available to retirees a Medicare supplement plan, at the retiree's cost, when the benefits
28 provided for in Sections 8.9 and 8.10 expire.

29 **8.11 Carriers and Coverage** - Specific carriers and coverage of District insurance plans
30 shall be mutually agreed to by the Association and the District. Requests by either party to
31 change existing insurance plans must be submitted to the Benefits Advisory Committee in a
32 timely manner.

33 **8.12 Benefit Advisory Committee** - The District's Benefits Advisory Committee will
34 review and make recommendation of carriers and changes in coverage. The Committee to

1 meet at least quarterly and review plan premiums and proposed changes in legislation
 2 along with the review and formulation of benefit requirements to meet plan and/or legislative
 3 mandates. The Committee shall also review employee concerns to decide whether a
 4 recommendation should be made to the District and bargaining units for changes in the
 5 ongoing benefits of the District. CSEA will continue to be an equal participant in this
 6 committee.

7 **8.13 Alternative Retirement Plan** - Unit members not in PERS, working less than four
 8 (4) hours per day, shall have an alternative retirement plan. (See Article 6.7)

9 **8.14 Procedures for Bus Driver Benefit Deductions** - The benefits office receives the
 10 average hours and sets-up the employee's medical and dental payroll deduction according
 11 to the chart below.

12

Deductions For	Will Be Determined By Average Hours Worked	Deduction Effective Date
Sept - Nov	September – June of the previous school year	September 30 th
Dec - March	September - November of the current school year	December 15 th
April – June	September - March of the current school year	April 15 th

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