

Article 9 HEALTH AND WELFARE BENEFITS

§ 9.1 Employee and Dependent Insurance Coverage

§ 9.1.1 In all aspects of benefits, coverage is extended to include domestic partners (same or different sex), subject to provider approval.

§ 9.1.2 There will be no additional health care cost sharing for classified staff for fiscal year 07/08 based on anticipated state COLA and rate information from health plan providers.

§ 9.1.3 Health and related benefits for 2006-07 are as follows:

- a. For the period July 1, 2006 – December 31, 2006, the District fully pays the health benefits programs currently in effect.
- b. For the period January 1, 2007 – June 30, 2007, the District pays no more than what it paid in 2005-06 pro-rated for a 6 month period, plus an additional amount equal to the 2006-07 State COLA applied to the pro-rated amount, the total adjusted for net new employees.
- c. For fiscal year 06/07 SEIU's share of costs in 9.1.3b above is \$61,271. This cost will be paid as a 0.326% redirected COLA out of the 0.48% in Article 7.1.3 of the 05/06 SEIU/District contract.
- d. The District and SEIU agree to work together to attempt to find ways to control medical costs.

§ 9.1.4 For full-time, 217-day, 238-day, and 260-day unit members, the District agrees to pay the costs of medical insurance premiums for Health Net and Kaiser health plans through June 30, 2007 as identified in 9.1.3 above. The level of coverage in effect under Health Net and Kaiser plans as of July 1, 2005, as specified in Appendix B, shall be maintained through June 30, 2007.

§ 9.1.5 In the event that the parties agree to offer additional health insurance plan options to eligible employees during the term of this Agreement, the District shall contribute an amount equal to the higher of monthly premiums paid to Kaiser or Health Net for the unit member's enrollment category. The unit member shall be responsible for premium amounts in excess of those paid by the District, and shall authorize the District to deduct said amounts from his/her paycheck.

Article 9 HEALTH AND WELFARE BENEFITS (Continued)

§ 9.1 Employee and Dependent Insurance Coverage (Continued)

§ 9.1.6 For full-time, 217-day, 238-day, and 260-day unit members in the bargaining unit, the District agrees to pay the full costs of dental insurance premiums through June 30, 2007. The level of coverage in effect as of July 1, 2005 shall be maintained through June 30, 2007. The dental coverage cap currently is \$1,750.

§ 9.1.7 For full-time, 217-day, 238-day, and 260-day unit members, the District agrees to pay the full costs of vision care, life, and salary continuance (i.e., Long-Term Disability) insurance through June 30, 2007. The level of insurance coverage in effect as of July 1, 2005 shall be maintained through June 30, 2007.

§ 9.1.8 Unit members who would otherwise be eligible for and participate in employee and dependent insurance coverage pursuant to the provisions of 9.1.4, 9.1.5, 9.1.6, or 9.1.7, but have reduced their classified work hours to accept an adjunct faculty position shall be entitled to this insurance coverage as long as the combination of the two (2) positions is considered to be a full-time assignment. If the two (2) positions are not considered to be full-time, then the costs of the insurance premiums will be pro-rated and the employee will pay his/her prorated share if he/she wishes to participate in the District's benefit plans.

§ 9.1.9 Unit members eligible for District benefits with a spouse employed by the District may not be enrolled concurrently as a subscriber in one District-sponsored plan and as a dependent in a second District-sponsored plan. Likewise, the family of an employee may be enrolled in only one District-sponsored health plan.

§ 9.1.10 A Medicash option is available to all eligible unit members with a full-time equivalent of 50% or greater. This option is a cash-in-lieu of medical benefits option offered to eligible unit members who have verifiable group health coverage through some source other than a spouse or domestic partner who is an employee of the District. Enrollment in the Medicash option is an annual election and can only be changed during a calendar year if there is a qualifying event. Full-time unit members who elect the Medicash option will receive \$150.00 per month in additional earnings. The Medicash option amount will be pro-rated for any eligible unit member with an FTE less than 100%. Unit members who elect the Medicash option will not be eligible to enroll in a District retiree health plan upon retirement. In order to enroll in retiree medical coverage Medicash participants must disenroll from the Medicash plan and enroll in a District health plan during the Medicash annual election period or during the open enrollment prior to their retirement.

Article 9 HEALTH AND WELFARE BENEFITS (Continued)

§ 9.2 Eligibility

§ 9.2.1 All unit members who work at least twenty (20) hours per week and are classified as regular part-time employees will be eligible to participate in the health, dental and vision insurance programs. To participate, a unit member must share the premium charges in the same ratio as their actual full time equivalent (FTE) assignment bears to a full-time assignment, the unit members' share will be paid by personal payroll deduction.

§ 9.2.2 All unit members who work at least twenty (20) hours per week and are classified as regular part-time employees will be eligible to participate in the life insurance and salary continuance (i.e., Long -Term Disability) programs without being required to share the premium charges.

§ 9.2.3 Should the unit member choose not to accept any plan or not to share in the premium costs, the District will incur no further obligation except when 9.1.10 and 9.4.3 are applicable.

§ 9.2.4 Unit members shall be enrolled in the insurance programs on the first of the month following fulfillment of the eligibility requirement.

§ 9.2.5 In the event that extension of benefits to unit members currently not covered under this Agreement is mandated by State or Federal action, then said benefits shall be immediately extended to those unit members, notwithstanding the term of this Agreement.

§ 9.2.6 The District shall assist SEIU, Local 1021 in providing access to alternative health insurance plans for those bargaining unit members not eligible for District group health insurance coverage under the terms of this Agreement. SEIU, Local 1021 shall be responsible for administration of the program.

§ 9.3 Open Enrollment

§ 9.3.1 Election to participate in District group health insurance plans shall take place:

1. Upon employment in an eligible position; or,
2. Upon qualification for eligibility due to a change in employment status or other qualifying event; or,
3. During an annual one (1) month open enrollment period for health insurance plans conducted during the month of October, to be effective January 1 of the following year.

Article 9 HEALTH AND WELFARE BENEFITS (Continued)

§ 9.3 Open Enrollment (Continued)

- § 9.3.2 Election to participate in District group dental insurance plan shall take place:
1. Upon employment in an eligible position; or,
 2. Upon qualification for eligibility due to a change in employment status or other qualifying event; or,
 3. For an already eligible unit member who did not previously elect to participate, upon a change in employment status; or,
 4. Every three (3) years during a one (1) month open enrollment period during the month of October, to be effective January 1 of the following year.

§ 9.4 Benefit Plans

§ 9.4.1 The District offers eligible unit members two HMO health plan options, Health Net 28Q and Kaiser Option 7. The level of coverage in effect under these plans is specified in Appendix B, and additional plan information is available from the Human Resources Department. Beginning July 1, 2006 the District added a Health Net PPO as a third option. For information on this option please contact Human Resources and refer to 9.1.5.

§ 9.4.2 Employees enrolled in the Health Net PPO plan prior to July 1, 2005 will be given the option to be grandfathered in that plan or enroll in either of the District's standard HMO plans.

§ 9.4.3 Effective July 1, 2006 all newly hired, eligible employees who reside outside of the current HMO service areas for Kaiser or Health Net, and/or current employees who subsequently move outside of the Kaiser or Health Net HMO service areas, will be eligible for the Health Net PPO option, or they and their eligible dependents are able to enroll in the District's Health Net and/or Kaiser HMO plans if they meet the provider's Live/Work rule conditions. If the employee living outside the HMO service area does not enroll in the Health Net PPO and does not meet the Live/Work conditions for Health Net, he/she will be enrolled in the Kaiser HMO until they can secure alternative coverage (subject to open enrollment restrictions). At that time he/she will only be eligible to receive a stipend from the District equal to the lowest single, double, or family coverage premium currently paid by the District. The employee must provide proof of alternate coverage and the stipend amount may not exceed the actual amount paid for the alternate coverage by the employee.

§ 9.4.4 The District agrees to reimburse eligible employees for the following co-payments, with appropriate verifiable documentation: Health Net HMO \$500.00 inpatient and/or outpatient surgery co-payment, Kaiser \$500.00 inpatient co-payment, Kaiser \$25.00 outpatient surgery co-payment, \$50.00 of the \$100.00 Health Net HMO emergency co-payment.

Article 9 HEALTH AND WELFARE BENEFITS (Continued)

§ 9.4 Benefit Plans (Continued)

§ 9.4.5 The District will reimburse those employees grandfathered on the Health Net PPO plan 389 for the following: \$500.00/\$1,000.00/\$1,500.00 calendar year deductible based on actual expenses.

§ 9.4.6 The District offers self-insured dental coverage to all eligible unit members. A brief description of benefits can be found in Appendix B. Additional plan information is available from the Human Resources Department.

§ 9.4.7 The District offers vision coverage to all eligible unit members. The current provider is Vision Service Plan and a brief description of benefits can be found in Appendix B. Additional plan information is available from the Human Resources Department.

§ 9.4.8 The District offers life insurance and long-term disability income protection to all eligible unit members. A brief description of benefits can be found in Appendix B. Additional plan information is available from the Human Resources Department.

§ 9.4.9 The District offers an IRC 125 plan each calendar year to all eligible unit members. This plan allows participants to cover specific medical and dependent care expenses with pre-tax dollars, thereby, reducing taxable income.

§ 9.5 Continuation of Benefits

§ 9.5.1 The District agrees to continue payments for all benefits programs provided for in Section 9.1, Employee and Dependent Insurance Coverage, and 9.2, Eligibility, and 9.4 Benefit Plans of this Article during the absence of any unit member who is on an approved paid leave.

§ 9.5.2 The District will continue to provide health, dental and vision coverage for eligible unit members on an accepted Long Term Disability (LTD) claim for up to one (1) year.

§ 9.6 PERS (Informational Item Only)

§ 9.6.1 Public Employees' Retirement System (PERS) is a mandatory, lawful deduction for:

1. all full-time unit members; or

Article 9 HEALTH AND WELFARE BENEFITS (Continued)

§ 9.6 PERS (Informational Item Only) (Continued)

2. full-time unit members on temporary appointment of six months or longer; or
3. part-time unit members with an FTE of 50% or greater, for one year or longer; or
4. unit members with prior membership in PERS.

§ 9.6.2 The District has implemented Section 414(h)(2) of the Internal Revenue Code concerning the tax treatment of employee's retirement contribution, designated by the Public Employees' Retirement System as PERS "Pick-Up".

§ 9.7 Student Health Fee Waiver

§ 9.7.1 The District shall waive, at the request of the unit member, any and all student health fees for unit members enrolling in classes at the District.

§ 9.8 403(b) Pension Plan

§ 9.8.1 IRS recognizes a 403(b) Investment Plan as a Qualified Pension Plan that unit members/employers may use in lieu of Social Security for those unit members not covered by STRS or PERS as District unit members. The District and SEIU, Local 1021 agree to implementing a 403(b) Plan subject to the following conditions:

1. The 403(b) Plan shall be a unit member-directed defined contribution plan.
2. The District shall contribute 3-3/4% of unit member's gross salary.
3. There shall be a mandatory contribution of 3-3/4% of gross salary from the unit member.
4. The unit member shall be fully vested in the plan at all times.
5. Fidelity Investments will provide the investment and administration of the program.

§ 9.9 Benefits Administration

§ 9.9.1 The parties agree to a continuation of the joint labor and management committee to be known as the "Fringe Benefits Committee" composed of classified and faculty personnel, a retired unit member representative, a Board member, and management representation.

§ 9.9.2 This Committee shall meet periodically 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 are being accorded as required by the various benefit programs.

§ 9.9.3 This Committee operates in an advisory capacity; all classified fringe benefits are still to be negotiated.