

**ARTICLE XVI
EMPLOYEE BENEFITS**

Health and Welfare Benefits

The District and the Association are committed to maintaining a quality health and welfare program. The parties agree to a good faith effort and commitment to maintain a program, which is comprehensive and cost-effective. Subject to the provisions of this article, the employer shall, for the duration of this agreement, provide Health care benefits for eligible employees as specified within the master insurance contract between the District and the respective insurance carriers the District selects.

A. Medical Insurance Carriers

Health care benefits shall be provided by the District through participation in the San Diego County Schools Fringe Benefit Consortium self-funded PPO program and Kaiser unless modified or changed through the collective bargaining process.

B. The District and Association recognize the impact of escalating health insurance premiums upon the total compensation package. In an effort to analyze, understand and reduce the escalation of these costs, an Insurance Committee shall be established and shall meet on a regular basis, monthly for the first six (6) months and at least quarterly thereafter. The Insurance Committee shall be comprised of up to three (3) representatives from the Association. No other employee group will have more than three (3) representatives.

1. The responsibility of the Insurance Committee is to review the cost trends in the District's carriers, program structure, and benefit plans.
2. The Insurance Committee shall have the authority to analyze how the current carriers, program structures, and benefit plans are impacting costs, to explore options which may reduce costs or rates of increase in costs, and to make recommendations to the District regarding potential adjustments. This committee is an advisory body only. All relevant information requested by the committee that pertains to the Committee's responsibility shall be provided within a reasonable time frame and shared with the committee.

C. Coverage Defined

"Full Coverage" shall include:

Employee and dependent medical insurance

E. Employee only, basic life for \$50,000

Employee only, vision

Employee only dental, or an alternative HMO family dental plan

D. Fringe Benefit Program

1. Dental coverage paid by the District will be provided by Delta Dental for employees only, or DeltaCare/PMI for family coverage.
2. Vision coverage, employee only, shall continue to be offered through VSP.
3. Life insurance, employee only, shall continue to be offered.

E. District Contribution

1. Effective the first full pay period following ratification by the Association, for the duration of this Agreement, the District annual contribution for fully benefited employees shall equal \$10,000, payable tenthsly at a rate of \$1,000.
2. For the 2009 plan year, the District will pay the difference between the District annual contribution (set forth above) and the total premium cost for unit members electing the PPO or Kaiser.

Eligibility

1. Part-time Employees

Employees who work less than full time in a certificated position shall receive a straight proration of the District's contribution toward the insurance benefits, as compared to a full-time certificated employee. Example: A half-time teacher would receive 50% of the District's contribution for insurance benefits.

Part-time employees who were employed in the District prior to June 30, 1987, shall continue to receive the same level of benefits they received during the 1986-87 school year.

2. Retirees

Employees who retire on or after age 55 with ten (10) or more years of service with the District shall be eligible to have the least costly basic medical insurance plan that is offered to employees continued by the District until the employee becomes covered by Medicare or attains age 65, whichever is first. During this period of eligibility, the retiree, however, may elect to continue in any plan offered to current employees provided the retiree pays any additional premium cost. The retiree shall remit the difference between the District contribution and the total premium cost to the Personnel Office on the due date designated by the District. Any payment required shall be by Cashier's Check, Certified Check, or Money Order. The retiree shall complete all District required insurance forms. The District pays only the dollar amount equivalent to the above percentage for the HMO plan available to active employees. However, for 2006-07 and beyond, the District may, at its sole and exclusive discretion, permit eligible retirees to select either plan without additional cost except as modified by the percent of premium schedule below. (see current contract language)

a. Prior service with other school districts shall be considered for the purpose of determining the amount of premium to be paid by the District.

b.

| <u>Years of Service</u> | <u>Percent paid by District</u> |
|-------------------------|---------------------------------|
| 10 | 50 |
| 11 | 55 |
| 12 | 60 |
| 13 | 65 |
| 14 | 70 |
| 15 | 75 |
| 16 | 80 |
| 17 | 85 |
| 18 | 90 |
| 19 | 95 |
| 20 | 100 |

c. The above premium percentage paid by the District for employees working less than a full time contract, or with a history of working less than full time contracts, will be prorated based on the total calculated years of service at the time of retirement.

3. Eligible Retiree Dependents

The retiree's dependents shall be eligible for coverage if all the following conditions are met:

- a. Commitment to dependent coverage is made at time of retirement.
- b. The retiree makes the entire premium payment on or before the due date designated by the District.
- c. The retiree requests coverage for dependents on or before the date of retirement.
- d. The District-required insurance forms are completed.

4. Employee Benefit Payments During Leave of Absence

a. Paid Leave of Absence

The District shall continue to contribute an employee's premium contribution, while on paid leave status, in the same manner as if the employee had remained in regular service.

b. Unpaid Leave of Absence

Employees on District-approved unpaid leaves of absence may elect to continue coverage for themselves (and dependents) by mailing the entire premium payment required for coverage, made payable to the District, and submitted to the Personnel Office. An employee on the District Leave of Absence plan whose payment is not received by the 15th of each month will be notified in writing as to lack of payment and will be provided a thirty (30) day grace period to submit such payment. If payment is not received within the grace period, insurance coverage will be cancelled. The District will develop a policy for the implementation of the required provisions of the Family Medical Leave Act.

c. Absence Due to Illness

Employees who are absent due to illness and who have exhausted accumulated District-paid leaves shall continue to receive full insurance coverage paid by the District for that period of illness not to exceed three (3) months following exhaustion of said leave.

d. Cancellation

Any employee's (and dependent) insurance coverage shall be cancelled if a leave expires and the employee does not return to active duty.

F. Salary Protection Insurance

Employees may participate in the salary protection plan of their choice with the District providing payroll deduction for this purpose.

G. Tax Sheltered Annuities

Employees may participate in an approved tax sheltered annuity with the District providing payroll deduction for this purpose.

H. Medical Examination and Tests

1. District required physical and mental examinations for purposes other than verification of absences shall be paid by the District.
2. A medical verification by a physician shall be sufficient verification of any sick leave absence.

I. Duration of Benefits

1. The benefits provided in this Article shall remain in effect during the term of the Agreement at the level of the District contribution set out in subsection E, above. In the event a successor Agreement is not consummated, these benefits shall be extended on a month-to-month basis while negotiations are underway.
2. Should an employee's employment terminate during the school year, the employee shall be entitled to continued coverage under the life, health, and dental plans for a period specified by the carrier's contract and COBRA. Such employee shall pay the premium for the continued coverage on a month-to-month basis.
3. Should an employee's employment terminate following the last day of the school year and before the commencement of the ensuing school year, such employee shall be entitled to continued coverage under the health, life, and dental plans until September 30 of the ensuing school year.

J. The District may, at its sole and exclusive discretion, utilize the service of the San Diego County Fringe Benefit Consortium to provide employees with fringe benefits coverage, except as provided in any current participation agreement.