Proposal for Revised Contract Language
Consideration for Tentative Agreement:

CSEA ____________________ District _______________Date

Article ??

Health and Welfare Benefits

XX.1 General

All insurance programs (medical/dental/vision) are subject to carrier requirements for eligibility enrollment and processing of claims. It is agreed that any insurance provided is subject to the following:

XX.1.1. Bargaining unit employees working 20 or more hours per week shall receive District-assisted health and welfare benefits as follows: medical, dental and vision coverage for the employee and qualified dependents. For employees who are currently enrolled in the District health plans, coverage will continue even though their assignment may be less than 50% of a full work load.

XX.1.1.a. Short-term and substitute employees as defined in Education Code Section 88003 will not be eligible for fringe benefits participation.

XX.1.2. Insurance coverage is effective the first day of the month following employment.

XX.1.3. The District shall not change the carrier/provider prior to a meeting with the Insurance Negotiations Committee.

XX.2 Insurance Cap

General Parameters

XX.2.A. The District provides a maximum dollar amount (cap) per month to assist in the payment of medical/dental/vision insurance for the employee and qualified dependents. The cap amount shall be negotiated annually. The Insurance Negotiations Committee shall meet by February 10th of each year to begin discussion regarding the cap for the upcoming fiscal year. If an agreement is not reached by July 1, the cap amount for the previous year will remain in place until an agreement is reached.

XX.2.B. The cap shall not include the unfunded retiree liability amount that is set aside for every life covered under the medical insurance plan.

XX.2.C. Health and welfare costs that exceed the negotiated cap amount will be shared equally by the District and those covered by the benefits (50% covered lives (active employees and board members) / 50% District).
Effective July 1, 2004, the maximum District contribution (the “cap”) for such insurance benefits shall be $958.33 per month ($11,500 annually) per qualified employee. The maximum contribution stated above is a “cap” and in no way obligates the District, in the event of a reduction in the cost of the benefit or any other mutually agreed change in benefit, to refund or otherwise credit employees with any difference in cost.

**Employee (Active) Cap Contribution**

**Active Employee**

XX.2.D Cap contributions for active employees shall be based on a percent of the gross salary as of July 1 for the employee’s permanent position. Overtime, adjunct salary or additional stipend amounts shall not be included.

XX.2.D.a 2004-05 Fiscal Year: The cap contribution for active employees for the 2004-05 fiscal year will be 1% of the employee’s gross annual salary. If agreements are not ratified in time to include the employee’s cap contribution in the July payroll, employees will still be required to pay 1% of their gross annual salary but the amount will be deducted over the months remaining in the fiscal year.

XX.2.E. The District will offer unit members an IRS 125 plan as a vehicle for facilitating a pre-tax deduction of the employee’s cap contribution.

**Benefits Savings Fund**

XX.2.F. Employee’s cap contributions which exceed the amount needed to cover claims and administrative costs for the plan year, will be set aside in a “Benefits Savings Fund” to assist with future employee costs. The Insurance Negotiations Committee will monitor and make recommendations on the use of these funds.

**XX.3 Continuation of Benefits**

X.3.1 Bargaining unit employees on paid leave shall continue to receive insurance coverage as specified.

X.3.2 Employees in the Bargaining Unit who are assigned to a work year of less than twelve (12) months shall receive insurance coverage as specified in Article XX.1 and XX.2 above during the nonworking periods of each year.

X.3.3 Bargaining unit employees on unpaid leave extending beyond thirty (30) calendar days, shall receive insurance coverage as specified.

X.3.5 Fringe benefits shall terminate upon resignation or termination of employment of any Bargaining Unit employee. Termination date is the last day of the month in which the resignation was effective.
XX.4  Medical Benefits – Retired Employees
For bargaining unit employees hired before December 1, 1992, the district will provide at District expense medical coverage as provided herein for any retiree who meets the following conditions:

XX.4.a. Retirees with 20 or more years of service to the District shall receive paid medical insurance from the date of retirement for the remainder of their lives.  XX.4.b. Retirees with at least 10 years of service and less than 20 years of service to the District shall receive paid medical premiums from the date of retirement until the retiree reaches age 65.

XX.5  Insurance Negotiations Committee
The Insurance Negotiations Committee shall continue to study health and welfare benefits cost containment and recommend ways to insure that the needs of both employees and the District are well served.  The Committee membership shall include the faculty union’s negotiation team, the classified union’s negotiating team, representatives from the non-union classified employees, and members of the District’s negotiation team.  The Committee shall be chaired by the Superintendent/President and shall meet at least quarterly.

The District shall provide an annual report on insurance accounts to the Insurance Negotiations Committee.

XX.5.1  
Any reports of a non-confidential nature concerning self-funded insurance give to the Board of Trustees shall be shared with the Insurance Negotiations Committee.

XX.6  Unfunded Retiree Liability
The amount the District sets aside for unfunded liability shall be accounted for and clearly delineated in the District’s budget.