

Memorandum of Understanding

Perris Union High School District (PUHSD) and the California School Employee Association (CSEA) and Its Perris Valley Chapter #469

Health & Welfare Benefits

March 6, 2018

This Memorandum of Understanding is made and entered into effective March 6, 2018 ("Effective Date"), by and between the PERRIS UNION HIGH SCHOOL DISTRICT ("District") and CALIFORNIA SCHOOL EMPLOYEE ASSOCIATION, AND ITS PERRIS VALLEY CHAPTER #469 ("Association") (hereafter collectively referred to as "the Parties").

RECITALS

1. In October 2017, the parties began working collaboratively to find ways to provide cost effective financially responsible health care benefits to classified employees.
2. The parties engaged in a comprehensive health and welfare bidding process with the objective of determining if we are able to provide cost effective and financially responsible health care benefits to our classified employees.
3. The District hired a neutral consultant to assist us in this endeavor.
4. Rather than maintain status quo benefits, the Parties agreed to continue discussing specific ways to provide cost effective financially responsible health care benefits to our classified employees.

AGREEMENT

Therefore, the Parties agree as follows:

1. Changes to language in ARTICLE 11 - HEALTH & WELFARE BENEFITS as attached effective July 1, 2018.
2. In accordance with Article 11 of the Collective Bargaining Agreement the following two-tiered health and welfare plans shall be offered to District classified employees for open enrollment through the Riverside County Employer/Employee Partnership (REEP), commencing May 7, 2018:
 - a. Anthem Blue Cross HMO 20 with \$5/\$25/\$40 Retail Prescription
 - b. Anthem Blue Cross HMO 30 w/ Chiropractic with \$10/\$30/\$60 Retail Prescription
 - c. Anthem Blue Cross HMO 30 Narrow Network with \$19/\$50/\$75 Retail Prescription
 - d. Anthem Blue Cross HMO 40 Narrow Network with \$10/\$30/\$60 Retail Prescription
 - e. Anthem Minimum Value Plan
 - f. Kaiser HMO High 1
 - g. Kaiser HMO Low 2

- h. Kaiser Minimum Value Plan
 - i. Delta Dental Incentive PPO
 - j. Delta Dental PPO
 - k. Delta Care HMO Dental
 - l. Anthem PPO Dental
 - m. Medical Eye Services (MES) Vision
 - n. Vision Service Provider (VSP) Vision
3. Attached to this agreement are the 2-tier 2018-2019 plan premiums and tenthsly payroll deductions based upon renewal rate percentages. Also attached is the Super-Composite as Compared to 2-Tier Plan Scenarios as presented on February 15, 2018 and updated with 2018-2019 renewal rate percentages.
 4. Effective July 1, 2018, medical premiums shall be offered on a two-tiered rate structure: Single or Family coverage. Family coverage is defined as employee and all eligible dependents and/or the employee's spouse. Dental and vision shall be offered on a composite rate structure. The District contribution towards premiums for health and welfare benefits for full-time unit members will be \$6,650 single coverage and \$13,350 for family coverage. Effective July 1, 2019, the District contribution towards premiums for health and welfare benefits for full-time unit members will be increased to \$6,950 single coverage and \$13,950 for family coverage. Effective July 1, 2020, the District contribution towards premiums for health and welfare benefits for full-time unit members will be increased to \$7,300 single coverage and \$14,550 for family coverage. For each year, the amount shall be prorated for employees who work less than eight (8) hours per day and forty (40) hours per week.
 5. Open Enrollment for Health & Welfare shall be set by the District and occur each year in May for the upcoming plan year.
 6. Annually, CSEA shall review health and welfare plans and propose changes to plans to mitigate any increases to health premiums. CSEA shall notify the District of any anticipated plan changes for the 2019-2020 plan year and the 2020-2021 plan year no later than two weeks after final renewal rate percentages are provided to CSEA preceding each plan year.
 7. Health & Welfare negotiations are closed through June 30, 2021. However, after adjusting for plan changes, if annual renewal rate percentages for either 2019-20 or 2020-21 exceed 4.5% for Kaiser and 3.5% for Anthem, CSEA and the District shall reopen health & welfare negotiations.

This Agreement constitutes the entire agreement and understanding of the Parties. There are no oral understandings, terms, or conditions, and neither party has relied upon any representation, express or implied, not contained herein. All prior understandings, terms, or conditions, written, oral, expressed, or implied, are superseded by this Agreement.

This Agreement cannot be changed or supplemented orally and may be modified or superseded only by written instrument executed by both Parties.

The language of all parts of this Agreement shall, in all cases, be construed as a whole, according to its fair meaning, and not strictly for or against either party.

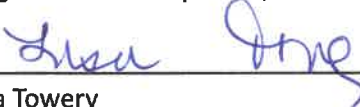
It is agreed and understood this agreement is subject to all approvals required under the CSEA Policy 610, as well as the Perris Union High School District Governing Board approvals.

Dated this 6th day of March 2018

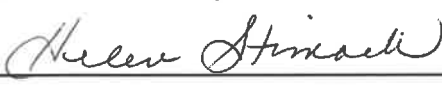
Association:



Joshua Rushing
Negotiations Chairperson, CSEA



Lisa Towery
Labor Relations Representative, CSEA




Helen Stimach
Negotiations Team Member



Tara Hefner
Negotiations Team Member



Alvin Hill
Negotiations Team Member




Crystal Horton
Negotiations Team Member



Jacob Riddle
Negotiations Team Member


District:



Kirk Skorpanich
Assistant Superintendent, Human Resources



Candace Reines
Deputy Superintendent, Business Services



Nick Hilton
Director, Human Resources



Judy Miller
Director, Risk Mgmt & Environmental Safety



Audrey Mitchell
Director, Nutrition Services

**ARTICLE 11
HEALTH AND WELFARE BENEFITS**

11.1 General. Unit members shall be eligible for medical, dental and vision plans as offered through the District. The premiums shall be a ~~super-composite~~ **two-tiered** rate for all **participating** unit members. ~~The District contribution towards premiums for health and welfare benefits for full-time unit members will be \$11,385 effective July 1, 2016. This increase will apply to all unit members who were in a paid status as of February 1, 2017.~~

11.2 Eligibility. Effective April 1, 2018, unit members who work at least six (6) hours per day and thirty (30) hours per week shall be eligible for health and welfare benefits. All unit members with a hire date prior to April 1, 2018, who worked less than six (6) hours per day and thirty (30) hours per week, but at least three and one half (3 ½) hours per day and seventeen and one half (17 ½) hours per week, shall continue to be eligible for health and welfare benefits. A unit member must enroll in health and welfare benefits within thirty (30) days of employment. Plan year renewal dates shall be July 1. Unit members shall be permitted to make changes to insurance selections only (1) during open enrollment; or (2) upon change of status.

~~11.1.12 Health & Welfare benefits plans, options, and employee contribution rates shall be included in Appendix D. It is recognized that there may be additional health insurance costs to be paid by unit members, depending upon the type of insurance that is selected during the open enrollment period. Any additional premium costs above the cap shall be paid by the unit member through automatic payroll deductions.~~

11.2 3 Health Insurance.

11.3.1 Effective July 1, 2018, medical premiums shall be offered on a two-tiered rate structure: Single or Family coverage. Family coverage is defined as employee and all eligible dependents and/or the employee's spouse. Dental and vision shall be offered on a composite rate structure. The District contribution towards premiums for health and welfare benefits for full-time unit members will be \$6,650 single coverage and \$13,350 for family coverage. Effective July 1, 2019, the District contribution towards premiums for health and welfare benefits for full-time unit members will be increased to \$6,950 single coverage and \$13,950 for family coverage. Effective July 1, 2020, the District contribution towards premiums for health and welfare benefits for full-time unit members will be increased to \$7,300 single coverage and \$14,550 for family coverage. For each year, the amount shall be prorated for employees who work less than eight (8) hours per day and forty (40) hours per week.

~~11.3.2~~ Medical. Except for those unit members with duplicate medical coverage, all ~~full-time~~ unit members **who work at least eight (8) hours per day and forty (40) hours per week** shall be required to take a medical plan. ~~Part-time~~ **Eligible** unit members **who work less than eight (8) hours** may choose to select a medical plan. ~~In order to offset some of the increase in medical costs, the hospital admit co-pay will vary from zero to two hundred fifty dollars (\$0 to~~

~~§250).~~ For the first 100 ~~admits~~ hospital admissions of benefit eligible unit members, or their covered dependents, the District will reimburse the unit member's co-payment up to two hundred dollars (\$200) upon submission of appropriate documentation. Documentation must be submitted to the Business Office within thirty (30) days of incurring the expense. After 100 reimbursements, unit members will pay the full co-payment amount.

~~11.3~~ **11.3.3 Dental and Vision.** All unit members who work at least eight (8) hours per day and forty (40) hours per week shall be required to take a dental and vision plan. Eligible unit members who work less than eight (8) hours may choose to select a dental and vision plan. ~~All full-time unit members must select a dental and a vision plan. Part-time unit members may choose to select a dental plan and/or vision plan. Unit members with cash option who are less than full-time will not receive a dental or vision benefits in addition to the cash option. Unit members may choose to purchase dental and/or vision benefits from the District at the same premium offered to all other unit members.~~

~~11.3.1~~ **11.3.4** Unit members with cash option who ~~are full-time will~~ work at least eight (8) hours per day and forty (40) hours per week shall be enrolled in the least expensive dental and vision plans available to the District at no cost to the unit member. Benefit Eligible unit members with cash option who work less than eight (8) hours per day and forty (40) hours per week shall not receive a district contribution towards dental or vision benefits in addition to the cash option. Unit members may choose to purchase more expensive dental and/or vision benefits from the District at the same premium offered to all other unit members. The difference in the plan(s) selected by the unit member and the least expensive plans offered by the District will be borne by the unit member.

11.3.5. Unit members ineligible for a health insurance benefit contribution by the District may purchase medical, dental or vision plans, in accordance with current REEP bylaws, the costs of which shall be paid via automatic payroll deduction.

11.4 Health and Welfare benefits plans, options, and employee contribution rates shall be included in Appendix D. It is recognized that there may be additional health insurance costs to be paid by unit members, depending upon the type of insurance that is selected during the open enrollment period. Any additional premium costs above the cap shall be paid by the unit member through automatic payroll deductions.

~~11.4~~ **11.5 Cash Option.** Unit members who have alternate medical coverage that meets the requirements of the Affordable Care Act or applicable law may elect not to receive medical benefits and, instead, may elect to receive cash compensation, provided they comply with verification procedures. Unit members who choose the cash option will receive cash compensation in the amount of up to two thousand dollars (\$2,000). The amount shall be prorated for employees who work less than eight (8) hours per day and forty (40) hours per week.

~~11.5 Eligibility. Insurance benefits must be applied for by the unit member within thirty (30) days of employment. Plan year renewal dates shall be July 1. Unit members shall be permitted to make changes to insurance selections only (1) during open enrollment; or (2) upon change of status. Full insurance benefits provided by the District apply only to regular full-time unit members. Said benefits are to be applied on a prorated basis as the unit member's hours worked per week bear to forty (40); and months worked per year bear to ten (10), for maximum benefits, except that unit members who have assignments that are less than three and one-half (3 1/2) hours will be precluded from participation in the District's health and welfare program.~~

11.6 Continuation of Coverage. The District will comply with applicable state and federal regulations regarding continuation of health insurance coverage (commonly called "COBRA").

11.7 Tax Sheltered Annuities. The District shall provide payroll deduction for unit members who wish to participate in a tax sheltered annuity program. The unit member may elect to remit salary deduction to any of the insurance companies which are approved by the Riverside County Office of Education.

11.8 Insurance Committee. An insurance committee shall be formed to periodically review pertinent programs for the unit members.

2018-19 CESA Health & Welfare 10thly Payroll Deductions

Full Time Employee Rates - Part Time Rates Based on Prorated Caps

Medical Plan	Tier	With VSP & Delta Incentive PPO	With VSP & Delta PPO	With VSP & Delta Care HMO	With VSP & Anthem PPO Dental	With VSP & Delta PPO	With VSP & Delta Care HMO	With VSP & Anthem PPO Dental	With VSP & Delta PPO	With VSP & Delta Care HMO	With VSP & Anthem PPO Dental	With VSP & Delta PPO	With VSP & Delta Care HMO	With VSP & Anthem PPO Dental
Anthem HMO 20	Single	\$323.46	\$294.83	\$226.32	\$279.46	\$302.88	\$274.25	\$205.74	\$274.25	\$205.74	\$274.25	\$274.25	\$205.74	\$274.25
	Family	\$844.07	\$815.44	\$746.93	\$800.06	\$823.49	\$794.86	\$726.35	\$794.86	\$726.35	\$794.86	\$794.86	\$726.35	\$794.86
Anthem HMO 30 with Chiropractic	Single	\$279.78	\$251.15	\$182.64	\$235.77	\$259.20	\$230.57	\$162.06	\$230.57	\$162.06	\$230.57	\$230.57	\$162.06	\$230.57
	Family	\$734.56	\$705.92	\$637.42	\$690.54	\$713.98	\$685.34	\$616.84	\$685.34	\$616.84	\$685.34	\$685.34	\$616.84	\$685.34
Anthem HMO 30 Narrow Network	Single	\$217.96	\$189.33	\$120.82	\$173.94	\$197.38	\$168.75	\$100.24	\$168.75	\$100.24	\$168.75	\$168.75	\$100.24	\$168.75
	Family	\$580.31	\$551.68	\$483.17	\$536.29	\$559.73	\$531.10	\$462.59	\$531.10	\$462.59	\$531.10	\$531.10	\$462.59	\$531.10
Anthem HMO 40 Narrow Network	Single	\$201.42	\$172.79	\$104.28	\$157.42	\$180.84	\$152.21	\$83.70	\$152.21	\$83.70	\$152.21	\$152.21	\$83.70	\$152.21
	Family	\$538.98	\$510.35	\$441.84	\$494.97	\$518.40	\$489.77	\$421.26	\$489.77	\$421.26	\$489.77	\$489.77	\$421.26	\$489.77
Anthem Minimum Value Plan (MVP)	Single	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	2-Party	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Family	\$216.85	\$188.22	\$119.71	\$172.84	\$196.27	\$167.64	\$99.13	\$167.64	\$99.13	\$167.64	\$167.64	\$99.13	\$167.64
Kaiser High 1	Single	\$350.87	\$322.24	\$253.73	\$306.86	\$330.29	\$301.66	\$233.15	\$301.66	\$233.15	\$301.66	\$301.66	\$233.15	\$301.66
	Family	\$502.02	\$473.39	\$404.88	\$458.01	\$481.44	\$452.81	\$384.30	\$452.81	\$384.30	\$452.81	\$452.81	\$384.30	\$452.81
Kaiser Low 2	Single	\$203.34	\$174.71	\$106.20	\$159.34	\$182.76	\$154.13	\$85.62	\$154.13	\$85.62	\$154.13	\$154.13	\$85.62	\$154.13
	Family	\$206.98	\$178.34	\$109.84	\$162.97	\$186.40	\$157.76	\$89.26	\$157.76	\$89.26	\$157.76	\$157.76	\$89.26	\$157.76
Kaiser Minimum Value Plan (MVP)	Single	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	2-Party	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Family	\$182.30	\$153.67	\$85.16	\$138.29	\$161.72	\$133.09	\$64.58	\$133.09	\$64.58	\$133.09	\$133.09	\$64.58	\$133.09

Rates based on REEP quoted rates and will be updated once final rates are available

Super-Composite as Compared to 2-Tier Plan Scenarios

Super-Composite premiums for 2018-19 are based off rate renewal percentages. 2-Tier rates are based off REEP quoted rates.

2-Tier premiums for 2019-20 and 2020-21 are estimated with the following increases: Kaiser 3.7% annually, Anthem 2.89%, Dental/Vision 0%

Select your Medical, Dental and Vision plan below (one from each shaded area) and add the employee costs for those plans to get your total 10thly employee cost for payroll deduction

	Super-Composite Rates - Status Quo					2-Tier 2018-19			2-Tier 2019-20			2-Tier 2020-21		
	District Contribution	2017-18 10thly Employee Cost	2018-19 10thly Employee Cost	Total District Employee Contribution per 8 hour Employee	2018-19 10thly Employee Cost	Savings from 2018-19 Super-Composite	Total District Employee Contribution per 8 hour Employee	Estimated 2019-20 10thly Employee Cost	Savings from 2018-19 Super-Composite	Total District Employee Contribution per FTE	Estimated 2020-21 10thly Employee Cost	Savings from 2018-19 Super-Composite		
2017-18 Plan Enrollment														
Anthem HMO 20 Single	\$11,385.00	\$768.67	\$780.11	\$6,650.00	\$205.74	-\$574.37	\$6,950.00	\$198.68	-\$581.43	\$7,300.00	\$187.29	-\$592.83		
Anthem HMO 20 Family	\$11,385.00	\$768.67	\$780.11	\$13,350.00	\$726.35	-\$53.76	\$13,950.00	\$723.70	-\$56.42	\$14,550.00	\$722.70	-\$57.41		
Anthem HMO 30 Single*	\$11,385.00	\$647.45	\$655.44	\$6,650.00	\$153.12	-\$502.32	\$6,950.00	\$144.54	-\$510.90	\$7,300.00	\$131.58	-\$523.86		
Anthem HMO 30 Family*	\$11,385.00	\$647.45	\$655.44	\$13,350.00	\$594.80	-\$60.64	\$13,950.00	\$588.35	-\$67.09	\$14,550.00	\$583.44	-\$72.00		
Anthem HMO 40 Single	\$11,385.00	\$487.66	\$491.12	\$6,650.00	\$83.70	-\$407.41	\$6,950.00	\$73.12	-\$418.00	\$7,300.00	\$58.09	-\$433.03		
Anthem HMO 40 Family	\$11,385.00	\$487.66	\$491.12	\$13,350.00	\$421.26	-\$69.85	\$13,950.00	\$409.79	-\$81.32	\$14,550.00	\$399.72	-\$91.39		
Anthem Minimum Value Plan Single***	\$11,385.00	\$0.00	\$0.00	\$6,650.00	\$0.00	\$0.00	\$6,950.00	\$0.00	\$0.00	\$7,300.00	\$0.00	\$0.00		
Anthem MVP Employee + 1***	\$11,385.00	\$0.00	\$0.00	\$13,350.00	\$0.00	\$0.00	\$13,950.00	\$0.00	\$0.00	\$14,550.00	\$0.00	\$0.00		
Anthem Minimum Value Plan Family***	\$11,385.00	\$0.00	\$0.00	\$13,350.00	\$0.00	\$0.00	\$13,950.00	\$0.00	\$0.00	\$14,550.00	\$0.00	\$0.00		
UHC HMO 30 Single**	\$11,385.00	\$647.45	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
UHC HMO 30 Family**	\$11,385.00	\$647.45	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Kaiser High 1 Single	\$11,385.00	\$384.62	\$397.59	\$6,650.00	\$233.15	-\$164.44	\$6,950.00	\$233.53	-\$164.06	\$7,300.00	\$230.04	-\$167.55		
Kaiser High 1 Family	\$11,385.00	\$384.62	\$397.59	\$13,350.00	\$384.30	-\$13.29	\$13,950.00	\$385.06	-\$12.53	\$14,550.00	\$388.08	-\$9.51		
Kaiser Low 2 Single	\$11,385.00	\$125.10	\$128.46	\$6,650.00	\$85.62	-\$42.84	\$6,950.00	\$80.55	-\$47.92	\$7,300.00	\$71.39	-\$57.07		
Kaiser Low 2 Family	\$11,385.00	\$125.10	\$128.46	\$13,350.00	\$89.26	-\$39.21	\$13,950.00	\$79.10	-\$49.36	\$14,550.00	\$70.80	-\$57.67		
Kaiser Minimum Value Plan Single***	\$11,385.00	\$0.00	\$0.00	\$6,650.00	\$0.00	\$0.00	\$6,950.00	\$0.00	\$0.00	\$7,300.00	\$0.00	\$0.00		
Kaiser MVP Employee + 1***	\$11,385.00	\$0.00	\$0.00	\$13,350.00	\$0.00	\$0.00	\$13,950.00	\$0.00	\$0.00	\$14,550.00	\$0.00	\$0.00		
Kaiser Minimum Value Plan Family***	\$11,385.00	\$0.00	\$0.00	\$13,350.00	\$0.00	\$0.00	\$13,950.00	\$0.00	\$0.00	\$14,550.00	\$0.00	\$0.00		
Delta Dental Incentive PPO		\$102.59	\$97.55		\$97.14	-\$0.41		\$97.14	-\$0.41		\$97.14	-\$0.41		
Delta Dental PPO		\$72.98	\$68.84		\$68.51	-\$0.33		\$68.51	-\$0.33		\$68.51	-\$0.33		
Anthem PPO Dental		\$54.31	\$54.82		\$53.13	-\$1.69		\$53.13	-\$1.69		\$53.13	-\$1.69		
Delta Care HMO Dental		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		
Vision Service Provider (VSP) Vision		\$26.04	\$20.59		\$20.58	-\$0.01		\$20.58	-\$0.01		\$20.58	-\$0.01		
Medical Eye Services (MES) Vision		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		

*Anthem HMO 30 rates are shown however Anthem HMO 30 w/Chiropractic and Anthem HMO 30 Narrow Network will instead be offered with the corresponding rates

**United Healthcare (UHC) will no longer be offered beginning in 2018-19

***Minimum Value Plans are 3-Tier