

Article 6 - Health and Welfare Benefits

6.1 District Contributions

6.1.1 Group insurance programs and all other fringe benefits plans shall be provided by the District for members of the bargaining unit as part of the compensation and fringe benefits for eligible employees and their eligible dependents. The programs are as outlined in Appendix C.

6.1.1.1 New Employee Health and Welfare Enrollment

All new hires who qualify for health and welfare benefits shall enroll in the plan with the least expensive premium cost for the first two (2) years of employment with the option of purchasing another plan offered by the Tustin Unified School District by paying the difference in premium and any District contribution to a Health Reimbursement Account, in addition to employee contributions for the selected plan. After two (2) years of benefit eligible employment, bargaining unit members may choose any health and welfare benefits program the District offers during the open enrollment period.

Effective July 1, 2018, all new hires who qualify for health and welfare benefits shall enroll in the plan with the least expensive premium cost for the first four (4) years of employment with the option of purchasing another plan offered by TUSD by paying the difference in premium and any District contribution to a Health Reimbursement Account in addition to employee contributions for the plan selected. After four (4) years of benefit eligible employment, bargaining unit members may choose any health and welfare benefits program the District offers during the open enrollment period.

6.1.1.2 Bargaining unit members shall be apprised of all available health and welfare benefits programs at the time of employment or at the time a specific benefit becomes available to employees.

6.1.2 Effective January 1, 2013, the District contribution for Health & Welfare benefits shall be the equivalent of \$12,500 per full-time bargaining unit member.

6.1.2.1 In the event the \$12,500 is inadequate to cover 100% of the benefit premium, the parties shall meet and negotiate over the level of funding at least sixty (60) days prior to the beginning of a funding increase.

6.1.2.2 If agreement is not reached through the bargaining process, to address the increased costs of health and welfare benefits by November 1 of any benefit year, the defined employee contributions will be adjusted to reflect the increased cost, effective January 1. These dates may be waived by mutual agreement between the parties.

6.1.3 The District shall pay a pro rata portion of the premium for insurances for part-time members of the bargaining unit who work at least fifty percent (50%) of a full-time assignment. The amount paid by the District will be in the same proportion as the part-time employment bears to full-time employment. The bargaining unit member electing this coverage will pay the remaining portion of the premium.

6.1.3.1 The District shall pay a pro rata portion of the premium and any District contribution to a Health Reimbursement Account for dependent coverage for eligible part-time members of the bargaining unit in the same ratio as for full-time bargaining unit members and in the same proportion as the part-time employment bears to full-time employment.

6.1.4 The District shall pay one hundred percent (100%) of the premium for eligible dependents of full-time members of the bargaining unit for vision coverage.

6.1.5 The District shall pay one hundred percent (100%) of the premium for the Long-Term Disability Income Plan for those bargaining unit members with fewer than five (5) years of service in the State Teachers Retirement System.

6.1.6 The Board shall provide an Internal Revenue Code 125 Plan for members of the bargaining unit, which shall include provisions for payment for all medical and dental costs as well as child and elder care costs.

6.1.6.1 Any administrative cost of the Plan shall be born by the unit member electing participation in the Plan.

6.2 Bargaining Unit Members on Leave

6.2.1 Bargaining unit members on any unpaid leave of absence shall be provided the opportunity to participate in the medical and dental program at the bargaining unit member's expense.

6.2.2 Bargaining unit members on paid leave of absence shall continue to participate in all insurance programs in the same manner as active bargaining unit members as described in Section 6.1 above.

6.3 Retired Bargaining Unit Members

6.3.1 Bargaining unit members who retire at age fifty (50) or older and who have at least five (5) years of service with the District shall be provided medical and dental insurance by the District as defined in Section 6.1.2, until age sixty-five (65), or until the bargaining unit member becomes eligible for Medicare coverage, whichever comes first.

6.3.2 Effective January 1, 2020, all retirees who are eligible for health and welfare benefits shall enroll in either of the two plans with the least expensive premium costs, unless the retiree chooses to enroll in another plan offered by the District.

If the retiree elects another plan, he/she shall pay the difference in the premium and any District contribution to a Health Reimbursement Account, in addition to the employee contribution for the selected plan.

6.3.2.1 Bargaining unit members who retire at the end of a school year shall remain on their current health benefits plan through August 31st of that year. On September 1, the provisions of 25.2.2 shall become effective.

6.3.2.2 Bargaining unit members who retire during the school year shall remain on their current health benefits plan through the month in which they retire. On the first day of the month following his/her retirement, the provisions of 25.2.2 shall become effective.

6.3.2.3 During retirement, benefit-eligible retirees, may change their choice of health and welfare benefits plans offered by the District during the annual open enrollment period.

6.3.3 Any bargaining unit member who retires under this Section shall have the option to purchase medical and dental coverage for eligible dependents. Eligible dependents shall be the child of the retiree, up to age 26 as described in the Federal Health Care Reform and the spouse or registered domestic partner of the retiree until the spouse or registered domestic partner reaches the age of sixty-five (65) years.

The retiree shall pay the full cost of the dependent coverage in a manner prescribed by the District.

In the event the retiree predeceases his/her spouse or registered domestic partner and/or other eligible dependent(s), the surviving spouse or registered domestic partner and/or eligible dependent(s) will no longer be eligible as provided for in this Section.

6.4 Termination of Insurance Benefits

6.4.1 Termination of insurance will be effective upon termination of employment; however, a bargaining unit member resigning after his/her last workday in any school year and before September 1, of the following school year, shall continue to be insured under medical and dental insurances through August 31 of that school year.

6.5 Internal Revenue Code 125

6.5.1 The District shall provide an Internal Revenue Code 125 Plan for members of the bargaining unit. The plan shall include provisions for payment for all medical and dental costs as well as child and elder care costs. Any administrative cost of the Plan shall be borne by the bargaining unit member electing participation in the Plan.

6.6 District Insurance Committee

The District Insurance Committee shall be composed of two (2) members of each employee group, one of whom shall also serve on the bargaining team, unless the number is waived by the committee.

The District Insurance Committee shall meet ten (10) times per year unless waived by the Committee.

The District Insurance Committee shall make recommendations to the District regarding carriers and recommendations to the bargaining teams regarding plan design, contribution levels, and wellness programs.