MEMORANDUM OF AGREEMENT

PURSUANT TO M.G.L. CHAPTER 32B, SECTION 19

BETWEEN

THE GREATER LAWRENCE TECHNICAL SCHOOL AND GREATER LAWRENCE TECHNICAL SCHOOL PUBLIC EMPLOYEE COMMITTEE

WHEREAS, the District Committee voted on December 11, 2018 to accept the provisions of M.G.L. c. 32B, §19 ('Section 19"); and

WHEREAS, the GREATER LAWRENCE TECHNICAL SCHOOL ("GLTS"), currently provides health insurance benefits to its subscribers (for purposes of this Agreement, the term "Subscribers" shall mean all employees, retirees (excludes MTRS), surviving spouses and dependents, any employees, retirees, surviving spouses and dependents who become eligible in the future; and

WHEREAS, the GLTS, though its District Committee, and the Public Employee Committee ("PEC") PEC wish to enter into this Agreement for a term of three years;

NOW THEREFORE, the GLTS and the PEC agree that the terms and conditions of the July 1, 2019 through June 30, 2022 Agreement ("Agreement") shall be as follows:

Purpose of Agreement

1. The purpose of the agreement is to enter into a PEC Agreement effective July 1, 2019 to June 30, 2022 and to provide health insurance benefits to the GLTS subscribers which will be administered by Blue Cross Blue Shield of Mass (or similar carrier as agreed upon with the PEC).

Plan Design

2. The GLTS and PEC agree that Non-Medicare plans provided will have the following cost sharing features for the duration of the agreement effective July 1, 2019 thru June 30, 2022.

HMO or PPO [In-Network Benefits]

Service	July 1, 2019 thru June 30, 2020	July, 1 2020 thru June 30, 2021	July 1, 2021 thru June 30, 2022	
Plan Year Deductible	\$500 ind/\$1000 fam			
Primary Care Physician Office	\$10 Copay			
Specialist Office Visit	\$30 Copay			
Emergency Room Visit	\$75 Copay after deductible			
Outpatient High Tech	\$100 Copay after deductible			
Imaging (MRI, PET, CT, Scans)	(\$0 Copay, no deductible for non-facility based)			

Service	July 1, 2019 thru June 30, 2020	July, 1 2020 thru June 30, 2021	July 1, 2021 thru June 30, 2022
Inpatient Hospitalization	\$500 Copay after deductible		
Outpatient Surgery	\$0 Copay, no deductible	\$150 Copay after deductible	
Retail (30-day)	Tier 1 \$10 Tier 2 \$25 Tier 3 \$50		
Prescription Drug			
Mail Order (90-day)	Tier 1 \$15 Tier 2 \$25 Tier 3 \$40		Tier 1 \$20 Tier 2 \$50
Prescription Drug			Tier 3 \$75

Contribution Rates

- 3. For the Duration of this Agreement contribution rates for all subscribers shall be described below:
 - A. GLTS 80% and Subscriber 20% for HMO plan participants
 - B. GLTS 80% (never to exceed the current cost of the individual and family HMO plans) and Subscribers 20% (HMO and any excess remaining premium where applicable) for PPO plan participants
 - C. GLTS 80% and Subscribers 20% for Medicare plan participants

Health Reimbursement Arrangement

4. The Parties agree that the GLTS will maintain a Health Reimbursement Arrangement ("HRA") by providing reimbursement during this Agreement for the purpose of reimbursing subscribers per the following schedule:

HMO or PPO [In-Network Benefits] Tler 1, 2, and 3:

Service		HRA Reimburses Copayment or cost sharing	
	Plan Year Deductible	Up to \$250 in/\$500 fam	

- 5. The HRA program will be administered by a Third Party Administrator (TPA) with automated claims processing. The GLTS will also implement a Flexible Spending Account Program (health FSA and Dependent Childcare) option effective July 1, 2019. Fees to be paid by the GLTS.
- **6.** The GLTS and PEC agree to meet quarterly (beginning October 1) to discuss plan operations including the HRA program and other issues as may come before the committee relative to plan operations. Trust fund data will be provided by the GLTS to the PEC at said meetings.
- 7. <u>Notice to Subscribers</u>. Eligible subscribers shall be notified of the implementation of the new plan on or before April 30, 2019.

- 8. <u>Compliance with c. 32B</u>. The parties acknowledge that with the completion of this Agreement, all the requirements of c. 32B have been met.
- 9. Binding Effect. This Agreement is binding on all subscribers and their representatives.
- 10. Modification. This Agreement constitutes the entire agreement reached by the parties pertaining to this matter. No other agreement, oral or otherwise, will be considered to exist or to bind any of the parties. No other representatives of any party to this Agreement had, or has, any authority to make any representation or promise not contained in this Agreement, and each of the parties to this Agreement acknowledges that such party has not executed this Agreement in reliance upon any such representation or promise. This Agreement cannot be modified, except by a written instrument signed by all parties. The parties acknowledge that they have thoroughly read this Agreement, that they understand it, and that they are entering into it of their own free will.
- **11.** <u>Severability Clause</u>. If any provision or portion of this Agreement is found to be unenforceable or unlawful, the remaining provisions or portions shall remain binding.
- 12. <u>Authorization to Sign Agreement</u>. Each signatory to this Agreement is authorized to bind the entity he/she represents. The PEC represents that it has the authorization and approval (subject to ratification) of a majority of the weighted votes of the PEC and that this Agreement is binding on all subscribers and their representatives.
- 13. Nothing in this agreement shall prevent the GLTS, following the date that this Agreement is signed, from instituting the processes authorized by M.G.L. c. 32B, §§ 21-23 or from making changes to health insurance plans, including premium contribution percentages between the GLTS and subscribers, subject to the GLTS meeting any bargaining obligation under M.G.L. c. 150E for a plan year after Fiscal Year 2022.

Bargaining for a Successor Agreement

14. The Parties agree that the GLTS District through the Superintendent-Director, or designee, and the PEC shall commence negotiations for a successor agreement no later than January 1, 2022. The GLTS agrees to consider options including entertaining bids from commercial insurance carriers and including a comparison to a GIC option for the GLTS' health coverage. GLTS agrees to consult with the PEC to gather input in the development of the bid. The full bid responses will be shared with the PEC. Negotiations shall include, but not be limited to, premium contributions, continuation of the HRA, and the impact of the out-of-pocket costs to subscribers, whether or not to remain under M.G.L. Chapter 32B, Section 19 and consideration of other statutory options under Chapter 32B. The Parties acknowledge that after good faith negotiations, if a successor agreement is not agreed upon, then neither party is waiving any and all options, including the right to take advantage of other provisions provided in Chapter 32B.

Notwithstanding any other provisions of the Agreement, the parties agree that execution of this written Agreement constitutes both a vote by the PEC to enter into a Section 19 agreement as well as a vote by the PEC to revoke Section 19 upon this Agreement's expiration on June 30,

2022. Therefore, Section 19 shall be deemed revoked on June 30, 2022 and said revocation shall not require a subsequent agreement between the Committee and the PEC. It is further agreed that prior to revocation of Section 19, the parties agree to engage in good faith negotiations for a successor agreement under Section 19 of 32B.

Future Meeting of the GLTS and PEC

- **15.** The PEC shall be composed of a union representative from each collective bargaining unit and a retiree representative designated by the Retired State, County and Municipal Employees Association which negotiates with the GLTS and the District Committee.
- **16.** The parties shall meet quarterly to discuss the implementation of this Agreement and any issues relating to the effectiveness and efficiency of health coverage for subscribers. Meetings will be held at times and places which are mutually agreed upon by the GLTS and the PEC, and notices will be provided to the GLTS and to the PEC in writing.

Agreement Supersedes Collective Bargaining Agreement

17. The Parties agree that any and all provisions of the collective bargaining agreements for the GLTS relative to health insurance benefits shall be superseded by this Agreement.

The GLTS District Committee and the Superintendent-Director

Signed in duplicate this 22nd day of April 2019.

Leo Lamontagnez

District Committee Chairperson

Christopher Burke, Local 1707 – Teachers' Unit Gregory Haas, M.A.P.S.A.

Kathleen Mulry, Local 1707 – Clerical Unit
Kellie Bancroft, Local 1707 Paraprofessional Unit

William Waters, Local 3 S.E.I.U. – Custodial Unit

Diane Maffa, Local 1707 – Cafeteria Unit

Daniel Habib, Retiree Representative

John Lavoie

Superintendent-Director

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