

**2024-2026
Employee Insurance
MEMORANDUM OF UNDERSTANDING**

This agreement is between the Medford School District (District) and the Oregon School Employees Association, Medford Chapter 15 (Association). The existing collective bargaining agreement (CBA) remains in full effect, except as provided below. Both the District and the Association recognize that over the past few years the Medford School District Self Insurance Program (MSD-SIP) has continued to have high cost claims necessitating a review of insurance options. The Insurance Committee comprised of OSEA members, MEA members, as well as confidential and administrative staff made a recommendation to the Superintendent to move to the Oregon Educator's Benefit Board (OEBB) beginning October 1, 2024. It is understood that once the District has made the move to OEBB that they must remain in OEBB. This memorandum of understanding reflects an agreement between the District and Association as part of the expedited bargaining process.

The following language will replace ARTICLE 5-Employee Insurance in the 2022-2026 Collective Bargaining agreement between the two parties.

ARTICLE 5 – EMPLOYEE INSURANCE

5.01 MEDICAL, DENTAL AND VISION INSURANCE

a. District and Employee Contributions-MSD-SIP 2022-2024

For the 2023-2024 school year, the District's contribution toward the monthly cost of medical (through the Medford School District Self Insurance Program [MSD-SIP]), dental and vision insurance for employees will be as follows:

The District shall pay the proportional share below toward each employee's insurance contribution for the 2022-2024 plan years.

For the 2022-2024 plan years, the District and employee contributions shall be:

<u>District</u>	<u>Employee</u>
85%	15%

b. District and Employee Contributions-OEBB 2024-2026

Beginning October 1, 2024, the District will change from the MSD-SIP to coverage through the Oregon Educator's Benefit Board (OEBB)

For the 2024-2026 plan years the District will contribute 100% of the combined cost of OEBB Medical Plan 7 (HSA), Dental Plan 5 and VSP Choice Plus 1, regardless of what plan employees select.

Employees selecting plans other than what is outlined in 5.01b above, shall receive the same base dollar amount (replacing the 85%/15% split) contributed toward their plan with the employee paying the remaining share, meaning employees are picking up the full additional cost of the higher cost plan.

During the term of this Agreement, the District will continue to offer medical plans aligned with, or as part of the Oregon Educator's Benefit Board's (OEBB's) plans.

For the 2022-2026 plan year, the District will provide a high deductible/Health Savings Account (HSA) plan at an employee's zero dollar (\$0) monthly contribution. For any bargaining unit employee who selects a high deductible/HSA plan for the first time, the District shall make a one-time one thousand six hundred dollar (\$1,600) contribution into the employee's HSA. For any employee who continues in the high deductible/HSA plan, the District shall contribute six hundred dollars (\$600)/year into the employee's HSA.

1. Employees hired after July 1, 2019 who are hired into positions that are 5.75 hours or less will not be eligible for district-paid insurance. Current employees who are not in benefit eligible positions may apply to increase hours however will not be benefit eligible unless the employee successfully applies for a benefit eligible position.

For those employees who work at least twenty (20) hours a week but less than thirty (30) hours a week, the District shall make an annual contribution of six hundred dollars (\$600) to either a Section 125 plan or a Section 403(b) plan. The contributions will be made by February 20 of each contract year for all employees who are actively employed February 1 of each year. This section applies only to employees currently employed on February 20 of that given year. Employees who separate from employment between February 1 and February 19 will not receive the contribution.

c) Section 125 Plan

FSA Elections – For employees who elect to use the District-paid contribution towards a Flexible Spending Account (FSA), the District-paid contribution will be limited to five hundred dollars (\$500) annually. Employees selecting a FSA may apply the remaining balance of the six hundred dollar (\$600) district-paid contribution towards any other Section 125 option. Employees who select this option may not use the remaining district contribution of one hundred dollars (\$100) towards a FSA as the maximum contribution allowed by law is five hundred dollars (\$500). They may, however, use the remaining one hundred dollars (\$100) in another Section 125 plan, such as Dependent Care, as allowed by law.

d) Section 403(b) Plan

Employees may apply all of the District-contribution towards a 403(b) plan. This six hundred dollars (\$600) annual district contribution shall be in addition to the savings/retirement account match enumerated in Section 4.13.

e) Contributions will be made in accordance with applicable federal and state law.

f) If the District determines a need to reduce hours in existing classified position(s) that are currently filled by an employee that would result in the loss of insurance eligibility for any employee(s), the rights enumerated in Article 8.4 (i.e., the right to bump, recall rights) shall apply.

2. Those members receiving the seventy-five-dollar (\$75) insurance benefit below shall have the option to continue to receive the benefit until they are no longer eligible under the following terms or are no longer employed by the District.
3. Employees who did not receive the benefit in #2 above during 2016-2017 or who are newly employed by the District will not be able to elect to receive the following benefit:

Those members employed less than seven-hundred-sixty (760) hours per year will not receive any benefits as provided in this article. However, if they choose to purchase the District's medical insurance the District shall pay seventy-five dollars (\$75.00) per month toward the cost of the contribution. The employee may purchase dental and vision insurance when they purchase medical insurance. The cost of purchase will be the actual cost to the District. In calculating the seven-hundred-sixty (760) hour requirement to obtain full benefits referred to above, temporary employment will not be included.

4. District contributions shall begin on the first day of the second full month of employment.
5. The District will provide and pay the full premium cost of Long Term Disability Insurance for all members of the bargaining unit employed seven-hundred-sixty (760) hours or more per year. Benefits shall be available as per terms of the Long Term Disability Policy.

c. Insurance Waiver Option

For plan years October 1, 2022-September 30, 2024

Bargaining unit members who provide proof of insurance from another source may be allowed to withdraw from the MSD-SIP. Members who choose to withdraw shall receive a district contribution of two hundred dollars (\$200) per month that will be included in their payroll. Beginning October 1, 2020, members cannot be on the MSD-SIP through another member or in any other way to receive the stipend.

For plan years October 1, 2024-September 30, 2026

Beginning, October 1, 2024, bargaining unit members who provide proof of insurance from another source, including the District, shall receive a District contribution of four hundred dollars (\$400) per month that will be included in their payroll.

In the event MEA subsequently bargains the continuation of the insurance waiver option for spouses and children both employed by the District, the District will offer that same level of benefit to OSEA.

d. Plan Options

The District maintains self-insured insurance for all employees. If an alternate plan is made available to another bargaining group in the District, OSEA will have the option to change to the other plan.

Eligible bargaining unit members may choose to participate in the Medford School District Self-Insurance Plan (MSD-SIP) during the open enrollment periods. The District will move to OEBS beginning on October 1, 2024 and no longer offer the MSD-SIP. The District shall offer the aforementioned plans for the term of this Agreement and may offer additional plans.

e. Health Insurance Fund

District and employee contributions shall be allocated to the District Health Insurance Fund. This fund is independent of the District General Fund, separated for accounting, payment, and reporting purposes. The Health Insurance Fund shall be the sole repository of all district and employee insurance contributions and

shall pay all claims and costs associated with the operation of the MSD-SIP. This section will sunset on the day insurance is provided by OEGB.

f. Termination of Benefits

If a bargaining unit member's employment is terminated prior to the end of the school year, the District's contribution towards health insurance benefits shall cease as of the last day of the last month of employment.


g. Benefits During Leave

For unpaid leaves not covered under the Oregon Family Leave Act (OFLA), insurance coverage will be extended to eligible bargaining unit members and family at the bargaining unit member's expense, provided the MSD-SIP plan or OEGB plan includes such extended coverage.

Additionally, with the change to OEGB on October 1, 2024 some of the Insurance Committee provisions outlined in Article 9.03 will change as there will no longer be a monthly report of the District Health Insurance fund account information (no longer applicable), nor claims information or prescription information as described in 9.03b-d.

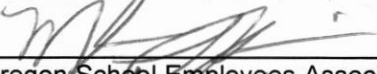
Conclusion

This MOU shall be non-precedent setting, nor establish a past practice. All sections of the Collective Bargaining Agreement not specifically mentioned in this MOU are in full force and effect.



Oregon School Employees Association President

4/19/2024
Date



Oregon School Employees Association Field Rep.

4-19-24
Date



For the District

4-19-24
Date