

**Memorandum of Understanding  
Between  
Multnomah Education Service District  
and  
American Federation of State, County and Municipal Employees (AFSCME) Local 1995,  
Oregon AFSCME, Council 75**

**Regarding Midterm Modifications to Article 17 – Insurance Benefits**

This Memorandum of Understanding (MOU) is entered into by and between Multnomah Education Service District (“District”) and AFSCME Local 1995 (“Union”) for the purpose of documenting agreed midterm modifications to Article 17.2.A.3 of the 2024–2027 Collective Bargaining Agreement (CBA), in response to mandatory health plan design changes issued by the Oregon Educators Benefit Board (OEBB) affecting employee Health Reimbursement Arrangements (HRAs).

Background

- The Oregon Educators Benefit Board (OEBB) has made mandatory changes to benefit plan structures, including increased minimum deductibles and out-of-pocket maximums for both Kaiser and Moda plans, effective October 1, 2025.
- The parties agreed to offer Kaiser Plan 2B and Moda Plan 5 beginning with the 2024–2025 benefit year. These plans were selected based on their alignment with key features of OEBB’s Kaiser Plan 1 and Moda Plan 1, which were considered favorable to employees at the time. This alignment reflects the selection rationale during this agreement term and does not create an obligation to adopt future changes to those benchmark plans unless required by law or subject to bargaining.
- In response to the OEBB-mandated changes, the District has adjusted its benefit offering and is modifying the Health Reimbursement Arrangement (HRA) structure described in Article 17.2.A.3 to reflect the revised deductibles and maximum out-of-pocket costs while continuing to reduce employee financial exposure to the extent possible.
- The parties agree that these changes do not reflect a redesign of benefits by the District but are the result of mandatory plan design updates issued by OEBB. The District’s adjustments to the HRA structure are intended to maintain consistency with the existing benefit framework to the extent practicable within the revised OEBB plan offerings.
- The parties recognize that Article 17 currently defines plan options and cost-sharing mechanisms and that this MOU modifies those terms only to the extent necessary to comply with the required benefit changes.

- The parties reaffirm that no changes are being made to Health Savings Account (HSA) offerings, and that the availability and structure of HSA-eligible plans remain unchanged.
- This MOU modifies Article 17.2.A.3 of the current Agreement. Except as specifically modified herein, all other language in Article 17 remains unchanged and in full force.

### Agreement

#### 1. Revised HRA Design – Effective October 1, 2025

Beginning October 1, 2025, the District will adjust its Health Reimbursement Arrangement (HRA) contribution structure in response to mandatory plan design changes issued by the Oregon Educators Benefit Board (OEBB).

- Kaiser Plan 2B
  - The Group HRA will provide maximum in-network deductibles of \$200 per individual, up to \$400 for families of three or more for Kaiser Plan 2B.
  - The total in-network out-of-pocket responsibility for employees will be \$1,700 per individual and \$3,400 per family of three or more.
- Moda Plan 5
  - Employees will pay an in-network deductible of \$700 per individual, up to \$1,600 for families of three or more.
  - The total in-network out-of-pocket responsibility for employees will be \$3,750 per individual and \$8,300 per family of three or more.

#### 2. Duration of Modification

This agreement modifies Article 17.2.A of the 2024–2027 Collective Bargaining Agreement solely to the extent necessary to reflect the October 2025 OEBB plan design changes. It will remain in effect through the end of the current agreement term unless superseded by mutual agreement.

#### 3. No Precedent or Waiver

This MOU does not establish a practice, precedent, or waiver of either party's rights under the

CBA or under PECBA. All other provisions of the collective bargaining agreement remain in full force and effect.

Attachments

The following documents are attached and incorporated by reference:

- Attachment A – Redline Version of Revised Plan Design  
Shows changes to employee cost-share structure and HRA adjustments for Kaiser Plan 2B and Moda Plan 5 for the 2025–2026 plan year, based on OEBC-mandated plan changes.
- Attachment B – Clean Version of Revised Plan Design  
Reflects final plan design terms, including employee deductible, out-of-pocket maximums, and HRA contribution levels for Kaiser Plan 2B and Moda Plan 5.

For Multnomah ESD



Paul Coakley (Aug 5, 2025 08:05:15 PDT)

Dr. Paul Coakley, Superintendent

08/05/2025

Date



Katrina Doughty (Aug 5, 2025 20:56:05 PDT)

Katrina Doughty, Board Chair

08/05/2025

Date

For AFSCME Local 1995




Jeff Spears (Aug 8, 2025 08:50:52 PDT)

Jeff Spears, President

08/08/2025

Date



Jason Wedemeyer, Oregon AFSCME

08/07/2025

Date

**Attachment A - Strikethrough Version of Revised Plan Design**

Shows changes to employee cost-share structure and HRA adjustments for Kaiser Plan 2B and Moda Plan 5 for the 2025–2026 plan year, based on OEBCB-mandated plan changes.

17.2 Health and Other Benefit Plans

A. Group Health Reimbursement Arrangement (Group HRA)

- 1. Effective October 1, 2024, the Union and District have designated certain OEBCB medical plans as preferred plans. Each year of this agreement, one or more of the plans selected will be paired with a District funded Group HRA. Members and eligible dependents who enroll in the preferred district major medical plan shall also be eligible to participate in a District sponsored group HRA plan.
- 2. The following preferred plans are subject to change by OEBCB and by mutual agreement between the Union and the District.

- a. Kaiser Plan 2B
- b. Moda Plan 5

3. Group HRA Plan Design

Kaiser Plan 2B

The Group HRA will ~~reimburse 100% of the Kaiser Plan 2B deductible~~ provide maximum in-network deductibles of \$200 per individual, up to \$400 for families of three or more for Kaiser Plan 2B. Maximum in-network out-of-pocket paid by the Employee is ~~\$1,500~~ \$1,700 per person, up to ~~\$4,500~~ \$3,400 for families of three or more.

- ~~a. Employee Only – \$0/\$1,500~~
- ~~b. Employee plus Spouse – \$0/\$3,000~~
- ~~c. Employee plus Child(ren) 2 people – \$0/\$3,000~~
- ~~d. Employee plus Child(ren) 3 or more people – \$0/\$4,500~~
- ~~e. Employee plus Family – \$0/\$4,500.~~

a) Employee Only	<del>\$0 / \$1,500</del> \$200 / \$1,700
b) Employee & Spouse	<del>\$0 / \$3,000</del> \$400 / \$3,400
c) Employee & 1 Child	<del>\$0 / \$3,000</del> \$400 / \$3,400
d) Employee & Family	<del>\$0 / \$4,500</del> \$400 / \$3,400

### Moda Plan 5

The Group HRA will provide in-network deductibles of ~~\$400~~ \$700 per individual, up to ~~\$1,200~~ \$1,600 for families of three or more for Moda Plan 5. Maximum in-network out-of-pocket paid by the Employee is ~~\$2,500~~ \$3,750 per person, up to ~~\$7,500~~ \$8,300 for families of three or more.

f. ~~Employee Only – \$400 / \$2,500~~

g. ~~Employee plus Spouse – \$800 / \$5,000~~

h. ~~Employee plus Child(ren) 2 people – \$800 / \$5,000~~

i. ~~Employee plus Child(ren) 3 or more people – \$1,200 / \$7,500~~

j. ~~Employee plus Family – One thousand two hundred dollars / seven thousand five hundred dollars (\$1,200 / \$7,500).~~

e) Employee Only	<del>\$400 / \$2,500</del> \$700 / \$3,750
f) Employee & Spouse	<del>\$800 / \$5,000</del> \$1,400 / \$7,500
g) Employee & 1 Child	<del>\$800 / \$5,000</del> \$1,400 / \$7,500
h) Employee & Family	<del>\$1,200 / \$7,500</del> \$1,600 / \$8,300

Reimbursements to HRA participants that incur out-of-network expenses shall be capped based on the in-network reimbursement levels listed above. Group HRA reimbursements are available only for qualifying expenses that are described in the Moda Plan 5 or Kaiser Plan 2A-B certificate of coverage, and which are applied to the health plan's maximum out-of-pocket limit including deductible, coinsurance and medical copays. Reimbursements are only available for qualifying expenses incurred while the member is enrolled in the plan.

Expenses are incurred when care is provided rather than when the enrollee is billed or payment for the service is made. Claims for reimbursement must be submitted on or before each December 31 for expenses incurred during the preceding OEBC plan year (currently October 1 through the following September 30). Expenses incurred during the plan year but not documented by the carrier during the plan year and run out period will be dealt with on a case by case basis.

## Attachment B - Clean Version of Revised Plan Design

Reflects final plan design terms, including employee deductible, out-of-pocket maximums, and HRA contribution levels for Kaiser Plan 2B and Moda Plan 5.

### 17.2 Health and Other Benefit Plans

- A. Group Health Reimbursement Arrangement (Group HRA)
  - 1. Effective October 1, 2024, the Union and District have designated certain OEGB medical plans as preferred plans. Each year of this agreement, one or more of the plans selected will be paired with a District funded Group HRA. Members and eligible dependents who enroll in the preferred district major medical plan shall also be eligible to participate in a District sponsored group HRA plan.
  - 2. The following preferred plans are subject to change by OEGB and by mutual agreement between the Union and the District.
    - a. Kaiser Plan 2B
    - b. Moda Plan 5

#### 3. Group HRA Plan Design

##### Kaiser Plan 2B

The Group HRA will provide maximum in-network deductibles of \$200 per individual, up to \$400 for families of three or more for Kaiser Plan 2B. Maximum in-network out-of-pocket paid by the Employee is \$1,700 per person, up to \$3,400 for families of three or more.

a) Employee Only	\$200 / \$1,700
b) Employee & Spouse	\$400 / \$3,400
c) Employee & 1 Child	\$400 / \$3,400
d) Employee & Family	\$400 / \$3,400

##### Moda Plan 5

The Group HRA will provide in-network deductibles of \$700 per individual, up to \$1,600 for families of three or more for Moda Plan 5. Maximum in-network out-of-pocket paid by the Employee is \$3,750 per person, up to \$8,300 for families of three or more.

e) Employee Only	\$700 / \$3,750
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f) Employee & Spouse	\$1,400 / \$7,500
g) Employee & 1 Child	\$1,400 / \$7,500
h) Employee & Family	\$1,600 / \$8,300

Reimbursements to HRA participants that incur out-of-network expenses shall be capped based on the in-network reimbursement levels listed above. Group HRA reimbursements are available only for qualifying expenses that are described in the Moda Plan 5 or Kaiser Plan 2B certificate of coverage, and which are applied to the health plan's maximum out of pocket limit including deductible, coinsurance and medical copays. Reimbursements are only available for qualifying expenses incurred while the member is enrolled in the plan.

Expenses are incurred when care is provided rather than when the enrollee is billed or payment for the service is made. Claims for reimbursement must be submitted on or before each December 31 for expenses incurred during the preceding OEBC plan year (currently October 1 through the following September 30). Expenses incurred during the plan year but not documented by the carrier during the plan year and run-out period will be dealt with on a case by case basis.