ARTICLE 6 - HEALTH AND WELFARE

SECTION 6.1 - Coverage

6.1.1 The District agrees to provide eligible employees with the full premium cost for district-provided Health Maintenance Organization (HMO) group health benefits at the highest premium rate, prorated for part-time employees, for single, two-party, or family coverage as applicable. See Section 6.2.1 and Section 6.2.1.1 for eligibility for such benefits.

6.1.2 The District agrees to provide eligible employees with full premium cost for district- provided group dental benefits, prorated for part-time employees, for single, two-party or family coverage as applicable. The plan shall provide no less than $2,000 yearly maximum reimbursement for covered dental expenses. The Union agrees that the District may change carriers during the term of the contract with the concurrence of the Union.

6.1.3 (Office, Technical and Paraprofessional Classifications) The District agrees to provide eligible employees with full premium cost for district-provided group vision benefits, prorated for part-time unit members, for single, two party or family coverage as applicable.

6.1.4 (Maintenance and Operations Classifications) The District agrees to provide eligible employees with full premium cost for district-provided group vision benefits for single, two party or family coverage as applicable.

6.1.5 The District shall provide health care coverage through the Self-Insured Schools of California (SISC), a public schools insurance pool. The Union agrees that the District may change carriers during the term of the contract with the concurrence of the Union.

6.1.6 Employees and their domestic partner meeting the criteria in Section 6.2, Eligibility, shall be eligible for coverage provided in this section.

6.1.7 Health and Welfare benefits shall be provided through a cafeteria fund. The fund shall provide eligible employees with single, two-party, or family premiums to enable the employee to select any available SISC HMO health plan. The fund amounts shall be set at the highest SISC HMO premium, plus the dental premium, for single, two-party, or family coverage as applicable and prorated for part-time employees. Coverage shall be paid through the cafeteria fund described as follows:

6.1.7.1 The cafeteria fund shall be sufficient to provide each active employee with health, dental, and vision (vision as described in subsections 6.1.3/6.1.4) coverage with premiums paid through the District-provided cafeteria fund. The employee may select a health

plan from any of the HMO or PPO plans included in the list of SISC providers. The fund amounts shall be set at the highest SISC HMO premium for the coverage selected.

6.1.7.2 If the premiums for the health, dental and vision plans, as described in Sections 6.1 Coverage, chosen by the employee exceed the cafeteria fund amount allocated for qualifying coverage, the employee authorizes the District to deduct the additional premium amount from the employee's monthly pay.

6.1.8 Employees hired on or after January 1, 2023, shall not have the option to receive cash-in- lieu of benefits due to SISC regulations.

6.1.9 Employees who were employed with the District on or before December 31, 2022, and who have shown proof of other comparable medical benefit coverage consistent with the Federal Affordable Care Act prior to the transition to SISC, may elect to receive cash-in-lieu of benefits, if eligible and consistent with the following:

a. The employee was employed with the District on or before December 31, 2022;

b. The employee provided proof of health coverage through a spouse, eligible domestic partner, or parent comparable to medical benefit coverage consistent with the Federal Affordable Care Act during open enrollment with SISC;

c. The employee declined the district provided health coverage;

d. The employee signed up to participate in the cash-in-lieu program;

e. Employees who are continuing the cash in lieu program must complete the process during open enrollment, annually.

6.1.9.1 Employees participating in the cash-in-lieu Option Program prior to the transition to SISC, and who were employed by the District on December 31, 2022, shall receive cash back equal to fifty percent (50%) of the single party premium amount for Kaiser. This payment shall be allocated to the employee on a monthly basis, prorated for part-time employees. For employees participating in the cash-in-lieu option program, the cafeteria fund defined in Section 6.1.7 of this Article shall be reduced by the amount of the highest two-party or family HMO premium, as applicable.

6.1.9.2 For employees, who were employed with the District on or before December 31, 2022, and who were approved for participation in the cash-in-lieu option program at that time, the cash-in-lieu

dollars may be utilized by the employee as pre-tax dollars to participate in the Section 125 Pre-Tax Benefit Plan, or Deferred Compensation Account (457 Plan or 403b). Monthly contributions must be made to one (1) account for the year and cannot be divided into two (2) or more accounts. The Deferred Compensation Account must be determined/assigned during open enrollment.

6.1.9.3 For employees, who were employed with the District on or before December 31, 2022, and who were approved for the participation in the cash-in-lieu option program only at the time the cash-in-lieu option payment may be paid to the employee directly. In this circumstance, the cash-in-lieu payment received by the employee shall be considered as taxable income in compliance with IRS rules. Both the District and the employee are liable for applicable taxes as with any other salary disbursement.

6.1.9.4 If an employee and their spouse or eligible domestic partner are both employees of the District and one employee is employed full-time and the other employee is employed part-time, then the part-time employee may participate in the cash-in-lieu program defined in Section 6.1.9 of this Article. To be eligible for the cash-in-lieu program, both employees must be employed by the District and approved for the cash-in-lieu program by December 31, 2022.

6.1.9.5 Only employees receiving the Cash Back Option effective December 31, 2022 shall have the option to continue to receive the Cash Back Option benefit under the SISC medical plan, as long as they continuously provide proof of alternate medical coverage as listed above. The legacy employees on the Cash Back Option shall only receive the option as long as they maintain the participation requirements. If the legacy employee does not provide proper proof of coverage or opts to receive medical coverage through SISC, they shall no longer be eligible for the Cash Back Option and cannot revert to the Cash Back Option in the future.

6.1.9.6 All employees hired starting January 1, 2023 and moving forward shall not be eligible for the Cash Back Option.

6.1.10 If an employee can provide proof of dental coverage through a spouse, eligible domestic partner, or parent, the employee may decline dental coverage and then may opt to receive cash back equal to fifty percent (50%) of the current District's dental premium provided for active employees, prorated for part-time employees.

6.1.10.1 This cash-in-lieu payment may be utilized by the employee as pre-tax dollars to participate in the Section 125 Pre- Tax Benefit Plan (Deferred Comp, 457 or 403b) or may be paid to the employee directly as taxable income. For employees choosing this option, the cafeteria fund amount defined in Section 6.1.7 of this Article shall be reduced by the amount of the full dental premium.

6.1.11 If an employee is receiving cash-in-lieu for medical insurance, the employee may opt to maintain district-paid dental coverage and/or vision coverage (if applicable). The District shall continue to pay the cost of either or both premium(s) while still providing the employee with the cash-in-lieu program as stated above.

6.1.12 As a condition of SISC membership, employees who are .90 FTE or greater and who have not been legacied into the cash-in-lieu program, must accept health and welfare benefits. Employees who are less than .90 FTE may decline health benefits coverage if they can provide adequate proof of health coverage from another source in compliance with the Affordable Care Act. Employees, described in this Section 6.1, Coverage, who opt out of receiving health and welfare benefits, shall not be entitled to participate in the cash-in-lieu program, except as expressly permitted in other Sections of this agreement.

6.1.13 An employee may continue health, dental and vision benefits while on district approved, full-time, unpaid leave by paying the full premiums, including the District's contribution, for the duration of the leave.

6.1.14 Employees on extended disability leave provided by Article 7 Section 7.3, Leaves, of this Agreement shall be eligible to receive the same district paid health, dental, and vision group insurance they were receiving immediately prior to taking such leave.

6.1.15 Employees hired before the fifteenth (15th) of the month shall become eligible for health, dental and vision benefits the first day of the first month following the month of their employment. Employees hired after the fifteenth (15th) of the month shall become eligible for health, dental and vision benefits the first day of the second month following the month of their employment.

6.1.16 Coverage shall terminate on the last day of the month in which the employee is separated from the District.

6.1.16.1 Health, dental and vision insurance for the spouse, domestic partner or family of a deceased employee shall continue for three (3) full months beyond the month in which the employee's death occurred.

6.1.17 A Joint Benefits Committee shall be created as a standing committee with representation from the District, all labor groups, and all other stakeholders. This group shall be consulted regarding any and all information requested from SISC in terms of plan design, changes in health plans, or other issues related to health and welfare benefits. The group shall meet at least quarterly or as needed to review and discuss communication from SISC. The committee shall discuss other items related to health, dental, and vision benefits.

SECTION 6.2 - Eligibility

6.2.1 Health and Dental Benefits - Full-time employees shall be considered as eligible to receive the full District health and dental benefits. Employees employed for less than full time (that is, less than thirty-seven and one half (37.5) hours per week and/or less than twelve (12) months per year) shall be eligible to receive these benefits with the District contribution prorated in proportion to the percentage of full-time assignment worked by the employee.

6.2.1.1 However, transportation employees regularly employed for twenty hours or more per week shall be eligible to receive full District-paid health and dental benefits.

6.2.1.2 However, regularly employed part time employees, who work for fifteen hours or more per week shall be eligible to receive from the District the highest HMO single premium rate and dental benefits for the single (employee only) plan and a prorated District contribution in proportion to the percentage of full-time assignment worked by the employee for two-party or family coverage. Subsection 6.2.1 shall not apply to substitute employees.

6.2.2 (Office, Technical, and Paraprofessional Classifications) Vision Care Benefits - All employees shall be considered as eligible to receive full District-provided vision care benefits, pro-rated for part-time employees.

6.2.3 (Maintenance and Operations Classifications) Vision Care Benefits - All employees shall be considered as eligible to receive full District-provided vision care benefits.

6.2.4 Part-time employees who elect to participate in the health and dental benefits program shall authorize the District to deduct the amount in excess of the part-time employee's prorated, District-paid, share of premiums from the employee's paycheck in order that said employee's full premium may be met.

6.2.5 Part-time employees who elect to participate in the benefits under this provision shall continue their participation for the duration of their part-time employment with the District.

6.2.6 Part-time employees not electing to participate in the benefits under this section shall not be eligible again to participate in dental insurance until one calendar year has elapsed from date of refusal. Part-time employees not electing to participate in the benefits under this section may elect to join a health insurance plan at the next annual open enrollment period established by the District following date of refusal or with a Qualifying Life Event (QLE).

6.2.7 Initial Eligibility for Coverage - Employees shall become eligible for health and dental benefits the first day of the first month following a full month of employment. Coverage shall terminate on the last day of the month in which the employee is separated from the District.

6.2.8 Domestic Partner Eligibility –The District shall comply with State regulations and requirements regarding domestic partnership.

SECTION 6.3 - Long Term Disability

6.3.1 The District shall provide employees who work twenty-five (25) hours per week or more with long-term disability insurance.

SECTION 6.4 - Life Insurance

6.4.1 The District shall provide employees who work a minimum of twenty (20) hours per week or less than thirty-seven and one-half hours (37.5) per week and who have permanent status with District-paid group life insurance in the face amount of $15,000, plus an equal amount of accidental death and dismemberment insurance.

6.4.2 The District shall also provide employees who work thirty-seven and one-half hours (37.5) per week and who have permanent status with the District-paid group life insurance in the face amount of $50,000, plus an equal amount of accidental death and dismemberment insurance.

SECTION 6.5 - Health Insurance Retirees

6.5.1 Coverage - Through SISC the District agrees to provide eligible employees upon retirement at age sixty-five (65) or upon reaching age sixty-five (65) with eligibility to participate in SISC benefits program with health insurance coverage at SISC Medicare Supplement related rates. Said retirees shall receive the District paid minimum benefit provided for health insurance for all employees active and retired. A retiree whose eligibility status qualifies them for District paid lifetime retiree benefits shall receive the total District paid health premium identified for

retirees. This identified premium shall be received as a taxable benefit herein termed a "service credit." Eligible retirees who retire between the ages fifty-five (55) to sixty-five (65) shall be eligible to remain on the District paid group health insurance plans and participate in SISC at the active employee rates until they reach age sixty-five. The maximum amount paid by the District for retirees aged fifty-five (55) to sixty-five (65) shall be the highest of the single, active HMO plans for San Mateo County.

6.5.1.1 Eligibility is determined by the District to be a minimum of five (5) years of fully paid contributions as a member of STRS and/or PERS. All retirees past or present who meet this minimum eligibility qualification and have retired from the District or subsequently shall retire from the Sequoia District shall be eligible to participate in the District's benefit program through SISC.

6.5.1.2 For employees hired on or after April 1, 1998, and who retire from the District and are eligible, the District shall reimburse, during the term of this agreement, the cost of the annual premium up to the highest single active HMO premium minus the District minimum benefit until the employee reaches age sixty-five (65). Beyond age sixty-five (65), employees in this category shall remain eligible to participate in the District's SISC medical coverage; however, the cost of the premium in excess of the District minimum shall be borne by the employee.

6.5.2 The District shall continue to pay only the Medicare B premiums beginning at age sixty-five (65) for eligible district retirees.

6.5.3 The District shall provide service credit and the District shall comply with IRS guidelines. The District shall reimburse, during the term of this agreement, the cost of the annual premium up to the highest single active HMO premium minus the District minimum benefit. This reimbursement shall be received by the retiree as a taxable service credit.

6.5.3.1 Beginning on January 1, 2023, retirees who do not qualify for lifetime benefits under subsection 6.5.1.2 of this collective bargaining agreement and who were enrolled in CalPERS Medicare Kaiser or Medicare Anthem Blue Cross plan in December 2022, shall receive a maximum District contribution toward their retiree SISC Medicare Kaiser or Anthem Blue Cross premium cost of two hundred dollars ($200) per month in subsequent calendar years. This same two hundred dollars ($200) per month maximum District contribution toward retiree benefits shall be applied to future retirees who do not qualify for lifetime benefits under subsection 6.5.1.1 of this collective bargaining agreement.

6.5.3.2 Beginning on January 1, 2023, retirees who do not qualify for lifetime benefits under subsection 6.5.1.2 of this collective bargaining agreement and who were enrolled in the CalPERS United Health Care plan in December 2022, shall receive a maximum District contribution toward their retiree SISC Medicare Anthem Blue Cross premium cost of two hundred and fifty-seven dollars ($257) per month in subsequent years.

6.5.3.3 (Office, Technical, and Paraprofessional Classifications) The District shall reimburse the same premiums for the eligible retiree's spouse/domestic partner until the retiree reaches age sixty-five (65).

6.5.3.4 (Maintenance and Operations Classifications) The District shall reimburse the same premiums for the eligible retiree's spouse/domestic partner until the spouse/domestic partner reaches age sixty-five (65).

6.5.4 For the duration of this agreement, retirees who move outside of the SISC provider service area shall receive reimbursement for individually purchased insurance coverage up to the amount of the highest of the single active premium for HMO coverage available in San Mateo County region. Outside of the SISC provider service area means there is no SISC provider within a thirty (30) mile radius.

6.5.5 Retiree Eligibility

Eligibility is determined by the District to be a minimum of five years of fully paid contributions as a member of STRS and/or PERS and must be at least fifty-five (55) years of age. All retirees, past or present, who meet this minimum eligibility qualification and have retired from the District or subsequently shall retire from the Sequoia District shall be eligible to participate in the District's benefit program through SISC.

6.5.5.1(Office, Technical and Paraprofessional Classifications)
The spouse or qualified partner of an eligible retired employee shall continue to be covered with health insurance until the retiree has reached age sixty-five (65). After age sixty-five (65) eligible retired employees may retain health insurance coverage for the retiree's spouse or qualified partner until the retiree reaches age sixty-five (65), provided the retiree is responsible for the cost of the spouse's or qualified partner's coverage. Retirees on a two party or family plan shall pay SISC invoices directly and receive a monthly taxable service credit for their eligible District covered premium.

(Maintenance and Operations Classifications)

The spouse or qualified partner of an eligible retired employee shall continue to be covered with health insurance until the spouse has reached age sixty-five (65). After age sixty-five (65) eligible retired employees may retain health insurance coverage for their spouse or qualified partner until the spouse reaches age sixty-five (65), provided the retiree is responsible for the cost of the spouse's or qualified partner's coverage. Retirees on a two party or family plan shall pay SISC invoices directly and receive a monthly taxable service credit for their eligible District covered premium.

6.5.5.2 In order to receive district-paid benefits, employees must have served in the district for a minimum of sixteen (16) years immediately prior to retirement.

6.5.5.3 If an employee is fifty-five (55) years old and does not have the minimum of sixteen years of service with the District required, the employee may reduce the minimum years of service required by two (2) for each full year the employee is over the age fifty-five (55); however, employees must have a minimum of ten (10) years of service to the District to be eligible for the reduced service requirement.

Age	Required Service Years
55	16
56	14
57	12
58+	10

6.5.5.4 The retiree must have been eligible for and covered by District provided health insurance while an active employee. The District's contribution to the health insurance premium for the retiree shall be prorated in the manner provided for active employees in Section 6.1 of this Article.

6.5.5.5 "Years" as used in this section shall be defined as years of service credit as calculated by the Public Employees' Retirement System (PERS), i.e., ten (10) months for full-time seven and one-half hour (7.5) employees or 1720 hours for hourly (less than full time) employees. It is understood that PERS credits a full year of service credit to employees participating in the Reduced Workload Program.

SECTION 6.6 - Flexible Spending Plan (FSA)

6.6.1 The District shall offer a 125 of the Internal Revenue Code (IRC) flexible spending account for dependent care and excess medical cost reimbursement. The

District shall follow the IRS guidelines for implementation and managing these accounts.

SECTION 6.7 - State Disability Insurance (SDI)

6.7.1 During the term of this Agreement, the District shall provide payroll deductions from the employee's paycheck for State Disability Insurance (SDI) premiums. If an employee is approved for SDI benefits, the District shall integrate with employees' existing sick leave, vacation and with other benefits that currently apply in case of employee absence.

6.7.2 The State of California is the sole authority in determining the outcome of all State Disability Insurance (SDI) claims. The District shall not make decisions regarding the approval, denial, or determination of any SDI claim. Any inquiries or disputes related to SDI claims must be directed to the appropriate state agency.