VUSD to VESPA Post Factfinding Proposal re Health and Welfare Benefit Language 11.9.26

20.1.3 The parties agreed to change the Group Purchasing Organization ("GPO") effective July 1, 2023. Effective July 1, 2023 through December 31, 2026; the District will continue to pay a total employer contribution cost of up to $25,772,544 towards the cost of health and welfare benefits (including Vision and Dental) premiums.

a. The District will fund the full premium cost of health and welfare benefits for each eligible, full time (40 hours per week) unit member employed on or before the date of Board ratification through December 31, 2026.

b. Effective January 1, 2027, the District shall establish a "soft cap" contribution up to the Traditional Kaiser HMO composite plan rate, as set forth herein, for each eligible unit member, (37.5 hours/week or greater), towards their selection of a health and welfare benefits plan. Employees shall contribute the difference between the Traditional Kaiser HMO composite plan rate and plans with premiums above that amount. The District's "soft cap" contribution will continue to be at the amount in place on December 1, 2028, for the cost of the Traditional Kaiser HMO composite plan rate until the parties reach a different agreement.

The Parties also agree to add six (6) new HSA 80 plans.

~~This~~ These employer contribution will be prorated as outlined in section 20.2.1 for unit members who work less than full time.

c. For January 1, 2025 through ~~June 30, 2025~~ December 31, 2026, should there be an increase in the cost of the premium for the CDHP PPO 90 or the CDHP HMO $1,600, the district will fund the increase in the premium for either of those two plans. Should the employee select a health and welfare plan other than the two CDHP plans listed above, the district will pay an employer contribution of $16,500 towards the cost of the premium for the health and welfare plan the employee selects.

d. District Health Savings Account ("HSA") Contribution: Effective January 1, 2027, the District will annually contribute towards a unit member's eligible HSA account the difference between the "soft cap" contribution and the actual premium cost of the plan selected by the unit member, not to exceed the maximum IRS allotment for self-only coverage, in effect as of January 1, of the plan year.

e. Unit Members hired before January 3, 2023: The District shall offer Cash-in-Lieu to all eligible full time (40 hours per week) unit members who can prove they are covered by group medical coverage. Part-time eligible unit members currently enrolled in a District medical plan and can prove they are covered by group medical coverage outside of the District are eligible for a prorated Cash-in-Lieu.

f. Unit Members hired on or after January 3, 2023: are only eligible for Cash-in-Lieu if they are employed full-time (40 hours per week), subject to the conditions in ~~(c)~~ (e) above.

g. The amount of the Cash-in-Lieu for unit members defined in 20.1.3~~(c)~~ (e) shall be prorated and paid as follows.

Beginning 7/1/2023, the Cash-In-Lieu shall be:

1. $5,000 - 1.0 FTE unit member

2. $3,750 - .75 FTE unit member

3. $2,500 - .5 FTE unit member

20.1.3 ~~The parties agree that the Medical Advisory Committee of the District, VESPA and VUEA shall meet on a regular basis to assess the GPO and to educate members about the plan and to discuss ways to educate unit members on choosing possible future cost-saving plans offered by the GPO. The committee will also have a goal of offering HSA plans to all eligible unit members.~~ The District and VESPA agree to form a joint health and welfare advisory committee with VUEA, with training from an independent , non-broker, provider that is jointly chosen by the VESPA and VUEA President and the Assistant Superintendent, Human Resources. The parties shall meet at least four times between January and June. The goal of the advisory committee is to control health and welfare benefits costs, educate members, improve benefit options, and explore adjustments to the prorating eligibility of benefits referenced in 20.2.1.

~~20.1.4 Medical Cost Trigger. Once the total cost of health and welfare benefits in the GPO exceeds $23,195,289 (ninety (90%) of the current total amount of $25,772,544), the parties agree to bargain in good faith (VESPA will be represented in the bargaining by their bargaining team), to explore all possible medical plan changes to keep the total cost below $25,772,544. When an agreement is reached on changes, the changes shall be referred to formal bargaining to implement the agreed upon changes, based upon a vote by the VESPA membership and ratification by the VUSD Board of Education. It is the parties' intent that all current eligible unit members', employed on or before the date of Board ratification, health and welfare premium costs be fully-funded by the District until there is a subsequent, negotiated total compensation agreement.~~