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

C. Health, Dental, and Vision Insurance

1. The parties agreed to change the Group Purchasing Organization ("GPO") effective July 1, 2023. ~~Effective July 1, 2023, for the 2023-2024 and 2024-2025 school years,~~ **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 and shall contribute a pro-rated amount for part-time unit members as per Article 18 and Article 19 ~~C. 1. a. and b. below~~ of the VUSD/VUEA CBA.

a. ~~The district will fund the full premium cost of health and welfare benefits for each eligible unit member 80% or greater, employed on or before the date of Board ratification.~~ **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, (80% or greater FTE), 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**s** will be prorated as outlined in Article 18 for unit members who work less than 80% of full time.

b. ~~New employees hired after the date of Board ratification:~~

~~For the 2024 calendar year: The district will fund the full premium cost of the CDHP PPO 90 with a district contribution of $905 towards the employee's health savings account (HSA) or the district will fund the full premium cost of the CDHP HMO $1,600 with a district contribution of $1,449 towards the employee's health savings account (HSA) for each eligible unit member 80% or greater. 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. This employer contribution will be prorated as outlined in Article 18 for unit members who work less than 80% of full time.~~

For January 1, 2025 through ~~June 30, 2025~~ **through 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.

c. 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.

d. Unit Members hired before January 3, 2023: The District shall offer Cash-in-Lieu to all eligible 80% or greater 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 are eligible for a prorated Cash-in-Lieu.

e. Unit Members hired on or after January 3, 2023: are only eligible for Cash-in-Lieu if they are employed 80% or greater, subject to the conditions in ~~c.~~ d. above.

f. The amount of the Cash-in-Lieu for unit members defined in C. 1. ~~c.~~ d. above shall be prorated and paid as follows.

i. Beginning 7/1/2023, the Cash-in-Lieu shall be:

1. 80% or greater unit member: $5,000
2. 75% to 79% unit member: $3,750
3. 50% to 74% unit member: $2,500

~~**2.** 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 VUEA agree to form a joint health and welfare advisory committee with VESPA, with training from an independent , non-broker, provider that is jointly chosen by the VUEA and VESPA 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, and improve benefit options.**

~~3. 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 (VUEA 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 VUEA membership and ratification by the VUSD School Board. 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.~~