[Note—the District would like to work with SCTA to create consistency in references to "employee" throughout the article]

Sacramento City Unified School District
Initial Proposal to Sacramento City Teachers Association
Article 13, Employee Benefits
October 13, 2021

ARTICLE 13 - EMPLOYEE BENEFITS

13.1 Health Insurance

Appropriate insurance coverage for employees/dependents will be provided by the District with options available to employees/dependents at their expense to suit their particular needs. At least two (2) carriers of major medical programs, one of which will be Kaiser unless the Health Benefits Committee referenced in section 13.14 of this Agreement determines to recommend and the District accepts another provider, will be available. Upon initial employment each unit member will be notified of the availability of health and insurance benefits contained in this article.

13.1.1 The District and SCTA agree to negotiate in good faith to effectuate on or before July costs related to selecting a medical plan other than the low cost plan.

13.1.1.1 ~~The Board shall fully pay the cost of the above health insurance plans for eligible employees, and will pay one-hundred percent (100%) of the premium cost for those~~

~~13.9.7 Non-contract, including permanent hourly, adult education teachers who are assigned~~

13.~~10~~9.2.3 This benefit shall continue to be available to an eligible surviving spouse if the spouse opts to pay the premium for said benefit.

13.~~10~~9.2.4 It is understood by the parties that it shall be the retiree's responsibility to make application for enrollment for the benefits described in section 13.9~~.8~~ through 13.9~~.9.2~~. It is further understood that it shall be the District's responsibility, after consulting with the Association, to develop implementing procedures for the benefits described in section 13.9~~.8 through 13.9.9.2~~.

13.~~10~~9.3 Retiree Health Insurance Opt Out

13.~~10~~9.3.1 To reduce future costs for retiree health benefits, all qualifying retirees who receive health benefits may opt to decline the health coverage. The retiree will receive on an annual basis 50% of the average in area premium cost to purchase other insurance coverage(s) of their choice. The remainder of the savings will be applied to fund the District's GASB

13.~~11.4~~10.3 Substitute shall be eligible for benefits (if any) as set forth in Article 15, Substitutes. In addition, substitute teachers who have advanced to the highest substitute pay rate shall be entitled to employee-paid health, dental, and vision benefits subject to open enrollment requirements. Substitutes must remit the complete premium payment to the District at a time specified by the District; payroll deduction for premium payment is prohibited.

13.~~12~~11 Open Enrollment/Switching

13.11.1 There shall be an "open enrollment" period each year for everyone eligible unless prohibited by the health provider. In any year when no open enrollment is offered, there shall be a "switching" period during which time an active or retired teacher may change or amend his or her carrier and/or dependency status. During a designated "switching" period, active or retired teachers may change carriers but cannot add dependent status.

13.~~12~~11.2 In the event that a health provider (i.e., medical, dental, vision, life, etc.) policy or plan is either terminated by the parties or cancelled by the providers, then a "switching" period may be implemented to facilitate the needs of the impacted unit members.

13.~~13~~11.3 The District shall continue to pay health insurance premiums for the surviving dependents of a certificated Non-management employee who dies while in service. The premiums will be paid for the balance of the school year in which the death occurs and the first six (6) months of the following school year.

13.~~13.1~~11.4 When an employee has been diagnosed by a physician as having a terminal illness, the District shall continue to pay health benefits for the employee until his/her demise.

13.~~14~~12 Flexible Reimbursement Account

The Board shall establish a Flexible Reimbursement Account under Section 125 of the Internal Revenue Code for each eligible employee requesting such an account. The Flexible Reimbursement Account will be operated and administered to be in compliance with all city, state and federal laws and regulations.

Each eligible employee shall be allowed to make an annual election to have their monthly compensation reduced by a specified amount for a deposit to their Flexible Reimbursement Account.

~~a. Dependent Care: Up to $4,980 per year for use as allowed under Section 129 of the IRC.~~

~~b. Health Care: Up to $4,000 per year for use in covering the unreimbursed deductibles, co-payments, and co-insurance amounts under a group medical, dental, or vision benefits plan.~~

benefits. The committee's recommendations shall be subject to negotiation. The parties will consult in a committee regarding fringe benefits for retirees.

Medical Costs

13.~~17~~.16.1 The Parties agree to form a joint committee to work on helping the parties respond over the long term to continuing increases in medical costs.

13.~~18~~17 Funding for retiree health insurance benefits

The parties recognize the importance and value of health and welfare benefits and are concerned about rising costs and unfunded liability.

The parties recognize the importance of the District in honoring the District's commitment to uphold promises to provide health insurance benefits to qualified retirees who provided decades of service to the students of Sacramento. The parties agree that every reasonable effort will be made to lower premium increases for current plans without diminishing benefits or increasing co-pays except as mutually agreeable. Any recommendations relative to working conditions will be subject to the CBA.

In addition, the parties agree to the following with regard to retiree health insurance benefits:

A. Contribution of Educators

analysis of the District's OPEB liability and including options for reducing the increased costs of and eventually fully funding this unfunded liability.