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ARTICLE VI

Compensation

A. SALARIES:

1. **Salary Schedules and Regulations:** The regular rate of pay for each employee in the bargaining unit shall be in accordance with the Salary Schedules available at work sites and Provisions for Administration of Salary Schedules incorporated in Appendix B of this Agreement.
2. **Biweekly Salary Advance:** Upon submission of a timely request, an employee may be advanced not more than one-half of his/her net pay after deductions every two (2) weeks.
3. **Payroll Errors:** Proper salary class and step placement is a joint responsibility of the employee and the District. All employees are encouraged to review their salary placement annually and should they believe that they are improperly placed on the salary schedule, they should immediately bring this information to the attention of the District. In the event that an incorrect salary placement results in an underpayment, the District will issue a warrant for approximately ninety (90) percent of the net underpayment from the revolving fund within ten (10) working days from the day the error has been verified and Payroll receives written notification. Full adjustment will be reflected in the employee's next regular pay warrant. Should the incorrect salary placement result in an overpayment, the employee will reimburse the District the full amount of such overpayment on a repayment schedule developed by the District and the employee. In the event of an error favoring the employee or the District, the error shall be corrected retroactively for a period of up to three (3) years dating from the discovery of the error. "Discovery of the error" is defined as the date the District or the employee first receives written notification.
 - a. When an employee requests an audit of payroll records beyond the immediately preceding thirty-six (36) months, the employee will be charged for this service at the rate of \$20 per hour. The service fee will be waived if the audit reveals an actual error. The employee may request an estimate of the time involved in the audit prior to authorizing Payroll to proceed.
 - b. Within two years of receipt of the annual service credit statement from the State Teachers Retirement System (STRS)/Public Employees Retirement System (PERS), employees may request review of a perceived discrepancy in annual service as reported in that statement.
4. **Pay Warrant Adjustments:**

- 1 a. (Education Code, Section 45051) Contract employees hired after the
 2 beginning of the contract year shall be notified at the time of employment that
 3 they will receive a pay adjustment in their first warrant. Contract employees
 4 who resign, retire, go on unpaid leave, or are terminated prior to the end of
 5 their work year may have their last pay warrant adjusted.
 6
- 7 b. The annual salary of any employee who is employed after the beginning of
 8 the school year, or who resigns, retires, is terminated, or goes on unpaid leave
 9 prior to the end of the school year shall be computed by comparing the
 10 number of days actually worked by the employee (including absence days in
 11 paid status) to the total number of working days in the school year.
 12
- 13 5. **Additional Assignments:** Bargaining unit employees qualified for additional
 14 teaching assignments in School for Adults and/or summer school shall be given
 15 priority consideration. Employees selected by the District to fill positions in the
 16 Additional Assignments Schedule shall be paid at the rates and in the manner
 17 described in that schedule.
 18
- 19 6. **Occasional Projects:** Employees elected by the governing board to work additional
 20 days on projects related to their primary job responsibilities shall be paid at District
 21 hourly rates as described in the Additional Assignments Schedule.
 22
- 23 7. **Catalina Island Employees:**
 24
- 25 a. Full-time employees who actually work and reside on Catalina Island shall
 26 receive a salary addition as provided in the Certificated Non-Management
 27 Salary Schedule. In addition, effective the first school day each year, Catalina
 28 Island employees shall receive a travel expense allowance. For 2021-2022,
 29 the allowance is \$1153.78. Each year thereafter, the allowance will be
 30 adjusted by the same percentage as the salaries of K-12 unit members.
 31 Employees working less than full time shall receive a share of the travel
 32 expense allowance proportionate to the time worked.
 33
- 34 b. Upon employee request, the District shall provide costs not to exceed \$500
 35 for moving possessions and an automobile to Catalina Island.
 36
- 37 c. The District shall pay employee costs of routine transportation to and from
 38 in-service training meetings required by the District.
 39
- 40 8. **Mileage.** Employees who are authorized by the Board of Education to receive
 41 reimbursement for mileage will be reimbursed at the rate per mile established by the
 42 Internal Revenue Service for business mileage.
 43
- 44 9. **403(b) and 457 Plans.** Unit members may participate in the District approved tax
 45 sheltered annuity plans, including the 403(b) and 457 plans, through voluntary

1 payroll deduction. The District shall pay the fees, if any, of a third party administrator
 2 who will be responsible for plan administration and compliance. The District shall
 3 consult with TALB when considering a change in the 403(b) or 457 third party
 4 administrator.
 5

6 **B. HEALTH AND WELFARE BENEFITS:**
 7

- 8 1. **Employee Eligibility.** Bargaining unit employees working fifty (50) percent or more
 9 of a full-time assignment as defined in Article V, Section A.11., (exclusive of job
 10 sharing, Article V, Section A.14.) are eligible for health, dental, vision, and life
 11 insurance benefits as provided in this Article. Effective 2010-11, the employer
 12 contribution shall be pro-rated for less-than-full-time unit members.
 13
- 14 a. All coverage is effective the first day of paid service or first paid day upon
 15 return from unpaid leave of absence.
 16
- 17 b. Any employee in unpaid leave status for a period in excess of thirty (30)
 18 calendar days may continue health and welfare benefit coverage as provided
 19 in this Article by personally paying the premiums. The percent of the annual
 20 premiums to be paid shall be the same as the percent of the contract year
 21 during which the employee is in unpaid leave status. (For example, a one
 22 hundred eight-two [182] workday teacher on unpaid leave for one [1]
 23 semester, i.e., ninety-one [91] days, is responsible for fifty (50) percent of the
 24 annual benefit premiums.)
 25
- 26 c. Effective 9/1/06, an employee who fails to enroll during open enrollment or
 27 within thirty (30) days of initial eligibility will be automatically enrolled in
 28 the PPO, Delta Premier, Vision, and Life.
 29
- 30 d. Dependents of employees who, pursuant to paragraph c. above, are defaulted
 31 into the designated District group medical plans are not eligible to be enrolled
 32 except as follows:
 33
- 34 (1) During the next open enrollment period; and/or
 35
- 36 (2) Within thirty (30) days of becoming eligible by virtue of such
 37 qualifying events as birth, adoption, marriage or registering of a
 38 California Domestic Partnership.
 39
- 40 2. The 2013 District annual maximum contribution toward individual unit member
 41 insurance premiums for District medical plans for full time employees, employee
 42 plus one and family coverage shall be based on the 2013 District PPO rates as
 43 adjusted by the cost containment changes. The District's annual maximum
 44 contribution excludes District dental and vision insurance.
 45

1 Beginning the 2014 insurance year (January 1, 2014), and each year thereafter, the
 2 District shall increase the prior year’s District annual maximum contribution toward
 3 individual unit member insurance premiums for District medical plans for full-time
 4 employees, employee plus one and family coverage by 3.5%. In the event the elected
 5 coverage in a District insurance program exceeds the above stated District maximum
 6 annual contribution, the cost difference shall be paid by the unit member through
 7 payroll deduction. The Health Benefits committee shall actively work to limit
 8 increases greater than 3.5%, through plan design modifications, vendor selection,
 9 wellness programs, and member education. In the event that the combination of the
 10 annual PPO rate increase and/or cost containment results in premiums below the
 11 District maximum annual contribution described above, that difference will mitigate
 12 future rate increases.
 13

14 Effective January 1, 2016, change the health and welfare plan year from the current
 15 calendar year (January 1 to December 31) to match the District’s fiscal year (July 1
 16 to June 30). The change shall be managed in the following manner:
 17

- 18 a. Effective July 1, 2016 the new plan year shall be based on the fiscal year (12
 19 months).
 - 20 i. Open enrollment shall take place in May of each year with all plan
 21 changes being effective on July 1.
- 22 b. Flexible Spending Accounts will remain on the calendar year and will
 23 continue to have their open enrollment in November.
- 24 c. In the initial transition year, the deductibles and out-of-pocket maximums that
 25 have accrued during the “short” plan year shall carry over for the first plan
 26 year based on the fiscal calendar. The accrued deductible and out-of-pocket
 27 maximum then shall reset back to zero on July 1, 2017.
- 28 d. The District Annual Maximum (DAM) shall be converted to the fiscal year
 29 by taking the arithmetic average of the DAM for 2016 and 2017 calendar
 30 years.

31 Example:

$$32 \quad 2016-2017 \text{ DAM} = [(2016 \text{ DAM}) + (2017 \text{ DAM})]/2$$

33 Effective July 1, 2017 the DAM will increase each July 1 by 3.5%.
 34

- 35 3. The lowest cost District HMO medical plan offered unit members in any given
 36 insurance year shall not be subject to the District annual maximum contribution
 37 described in Section 2 above. In the event that the District anticipates that the
 38 premiums for the lowest cost District medical HMO plan may exceed the District
 39 annual maximum contribution as described in Section 2 above in the succeeding year,
 40 negotiations will automatically be initiated to address the excess cost during the next
 41 round of negotiations.
 42
- 43 4. All eligible unit members retiring from the District after August 31, 2013 shall
 44 receive the same District annual maximum contribution for District medical plans
 45 provided to active unit members. Eligible unit members who retire on or before the

1 above date shall not be subject to the District’s annual maximum contributions as
 2 described in Section 2 above.

- 3
 4 5. The District shall apply any health benefit cost containment changes, including plan
 5 design changes, implemented for active employees to retirees.

- 6
 7 6. **Health Insurance.** Employees may choose coverage for themselves and their
 8 eligible dependents or same gender domestic partners for whom a Declaration of
 9 Domestic Partnership is currently on file in the office of the Secretary of State for the
 10 State of California. A choice shall be made from any one of the approved plans
 11 described below during the enrollment period announced by the Risk Management
 12 Branch.

13
 14 The District agrees to offer employees medical health benefits that include at least
 15 one PPO and two HMO options. Specific providers, plans and plan designs shall be
 16 provided to employees annually prior to open enrollment. Modifications to providers,
 17 plans, and plan designs shall be subject to recommendations by the Health Benefit
 18 Committee (HBC) and shall be subject to negotiations by the parties. Specific
 19 providers and plan designs will not be outlined in the Agreement although they will
 20 be subject to negotiations, and the contractual grievance procedures. (Supersedes
 21 Article VI, Section B.2a, b, and c except the first sentence of Section Article VI, B.2).

22
 23 a. **Kaiser Foundation Health Plan.**

24 Brief description of coverage: Unlimited lifetime maximum. Continuation
 25 of existing plan without modification of benefits, except as noted.

26
 27 Annual out of pocket maximums are \$1,500 Individual and \$3,000 Family

28
 29 Physician Visit: \$10 co-pay, effective 7/1/2017.

30
 31 Emergency Room Visit: \$100 co-pay, effective 3/1/2013. The fee is waived
 32 if the person is admitted to the hospital.

33
 34 Chiropractic Care: \$5 co-pay and 30 visits per year, effective 1/1/07.

35
 36 Prescription Plan: 100 Day Supply): Retail Generic and Non-Formulary co-
 37 pays are \$5; Retail Brand co-pay is \$10 effective 7/1/17.

38
 39 b. **HMO Plan.**

40 Brief description of coverage: Effective March 1, 2013, this plan will be
 41 referred as the HMO TALB plan. The ability to move between the HMO and
 42 Comprehensive Major Medical is no longer available. Continuation of
 43 existing plan without modification of benefits, except as noted.

1 HMO. Office visits, \$10; no deductible; hospitalization 100% covered.
 2 Unlimited lifetime maximum. Continuation of existing plan without
 3 modification of benefits, except as noted effective 7/1/17.

4
 5 Emergency Room Visit: \$100 co-pay, effective 3/1/2013. The fee is waived
 6 if the person is admitted to the hospital.

7
 8 Chiropractic Care HMO): \$5 co-pay, up to 30 visits per year, effective
 9 1/1/07.

10
 11 Prescription Plan: Effective 7/1/18, the HMO prescription plan will revert
 12 to a three (3) system by the provider. Retail co-pay per thirty (30) day
 13 prescription: \$5 generic; \$10 formulary; and \$35 non-formulary. Mail order
 14 co-pay for up to ninety (90) day prescription supply: \$5 generic; \$10
 15 formulary; and \$35 non-formulary.

16
 17 c. **PPO. COMPREHENSIVE MAJOR MEDICAL.** Continuation of
 18 existing plan without modification of benefits, except as noted.

19
 20 (a) Effective January 1, 2016, \$300/\$600 deductible; 20% co-
 21 insurance; \$1,000 individual/\$2,000 family per year out-of-
 22 pocket limit (in addition to deductible).

23
 24 (b) Effective January 1, 2016, \$500/\$1,000 deductible; 40% co-
 25 insurance; \$5,000 individual/\$10,000 family per year out-of-
 26 pocket limit (in addition to deductible).

27
 28 (c) Chiropractic Care PPO: Up to 25 visits per injury. Extra
 29 Visits must be deemed medically necessary as of 1/1/22.

30
 31 Emergency Room Visit: (In-Network/Out of Network) \$100 co-pay,
 32 effective 7/1/2017. The fee is waived if the person is admitted to the hospital;
 33 subject to plan specifications.

34
 35 Prescription Plan: Effective 7/1/2017 the PPO plan will include a
 36 comprehensive prescription program with the following co-pay structure:

37
 38 National Formulary: The District shall participate in the National Formulary
 39 to the extent offered by the district PPO Plan's Pharmacy Benefit Manager
 40 effective July 1, 2016.

41
 42 Retail Pharmacy (30 Day Supply): \$5 co-pay for generic; \$20 co-pay for
 43 formulary; and \$50 co-pay for non-formulary.
 44

1 Mail Order (90 Day Supply): \$0 co-pay for generic; \$20 co-pay for
2 formulary; and \$50 co-pay for non-formulary.

3
4 Effective 7/1/2017, all diabetes medications shall be filled in a 90 day supply
5 through Mail Order or 90 day supply through Walgreens (no other drugs
6 outside the diabetes category in a 90 day supply at Walgreens).

- 7
8 d. Hearing Aids. Any active employee who is insured under any one of the
9 District sponsored medical plans may request reimbursement for the costs of
10 hearing aids. The maximum amount of reimbursement shall not exceed one
11 thousand dollars (\$1,000) within any three (3) year period. The cost of
12 hardware, fitting tests, and other tests related to the hearing aids purchased
13 shall be included for reimbursement purposes.

- 14
15 7. **Dental Insurance.** The District agrees to provide eligible employees with District
16 payment of premium costs. Employees may choose between approved plans
17 described below:

- 18
19 a. Delta Dental, PPO Plus Premier. This is a continuation of the present plan and
20 the District shall continue to pay premium costs under this plan for the employee
21 only. The employee may choose to pay premium costs for eligible dependents.
22 Maximum amount paid by plan per person per calendar year:

23
24 In-Network PPO Dentists: \$2,200.

25 Premier and Out-of-Network Dentists: \$2,000.

- 26
27 b. Delta Care (PMI) Dental Health Plan. This is a continuation of the present plan.
28 Coverage for both the employee and his/her eligible dependents is provided for
29 by this plan.

- 30
31 8. **Life Insurance.** Employees whose regular annual salary exceeds fifteen thousand
32 dollars (\$15,000) shall be insured for the amount of the annual salary but not to
33 exceed fifty thousand dollars (\$50,000); employees whose regular annual salary is
34 fifteen thousand dollars (\$15,000) or less shall be insured for fifteen thousand
35 (\$15,000). The amount of coverage shall be based upon the salary rate on the last
36 day of actual service to the District by the employee.

- 37
38 9. **Vision Care Insurance.** The District agrees to provide vision care insurance for
39 eligible employees. The Medical Eye Services plan provides one (1) comprehensive
40 examination every twelve (12) consecutive months; two (2) pairs of lenses in any
41 twenty-four (24) consecutive months. Employee is responsible for paying a ten
42 dollar (\$10) deductible per calendar year. Prior enrollment in the plan is required.

- 43
44 10. **Mental Health Care Service.** Employees and eligible dependents shall be provided
45 outpatient mental health care service through the same Health provider in which the

1 unit member is enrolled through the District (i.e. If medical is provided by the PPO,
2 the mental health care is provided through the PPO.)

- 3
4 11. **125 Plan- Flexible Spending Accounts.** Upon securing the appropriate government
5 approval, the District will provide employees the opportunity to participate in a 125
6 Plan at no administrative cost to the employee. Attendance at informational meetings
7 shall be voluntary.
8

9 C. DURATION OF BENEFITS:

- 10
11 1. **Retiring Employees After Seventeen Years of Service.** Employees shall be
12 eligible for District-paid premiums for health insurance provided that (a) the
13 employee is age fifty-five (55) or older upon retirement and has seventeen (17) or
14 more service years in the District or (b) the employee has at least thirty (30) years of
15 service credit with STRS or PERS and seventeen (17) or more service years with the
16 District. This benefit shall end when the retiree reaches age sixty-seven (67) on the
17 condition that the retiree, if eligible, applies for coverage under Medicare Part A and
18 B coverage at age sixty-five (65). Eligible employees who fail to apply for such
19 coverage will not receive District-paid premiums for health insurance from age sixty-
20 five (65) to age sixty-seven (67). The retiree, or un-remarried spouse of deceased
21 retiree, may remain in the District plan by paying personally the insurance premiums
22 without any limit on age.
23

24 Medicare coverage will be primary for those employees who are eligible; the
25 District's plan will provide secondary or umbrella coverage over Medicare payments.
26 Additional information is available from the Risk Management Branch. (For health
27 insurance benefits, unit member employees compensated for fifty [50] percent or
28 more of a full-time assignment will receive one [1] year of credit toward the required
29 seventeen [17] years of service.)
30

- 31 2. **Resigning/Retiring Employees.** Employees who do not qualify under Section 1.
32 above and who resign as of the last day of the traditional school year and after having
33 served a complete contract year immediately prior thereto shall be eligible for
34 District-paid health, dental, vision, and life insurance benefits through September 30
35 following the school year of service.
36

37 Resigning/retiring employees (regular or temporary contract) who complete a full
38 year of service and who were originally employed in the District on a year-round
39 calendar with salary prorated over two hundred sixty (260) days will have benefits
40 provided through September 30 following the school year of service. Retirees age
41 fifty-five (55) or older may remain in a District plan by paying personally the
42 insurance premiums beginning the first of the month after the employee's retirement
43 date. There is no limit on age. Medicare coverage will be primary for those
44 employees who are eligible; the District's plan will provide secondary or umbrella

1 coverage over Medicare payments. Additional information is available from the Risk
2 Management Branch.

- 3
- 4 3. **Temporary Contract Employees.** Persons with temporary contracts on traditional
5 calendar who receive a letter of assurance for future employment shall have
6 continuous health, dental, vision, and life insurance benefits through the months of
7 July, August, and September following receipt of the letter of assurance.
8
- 9 4. **Employees on STRS/PERS Disability.** Employees who otherwise qualify and who
10 are disabled and begin drawing STRS/PERS disability payments after June 1, 1979,
11 shall be eligible for District-paid health insurance for the term of the disability but
12 not more than thirty-nine (39) months from the dates of approval of the disability
13 allowance.
14
- 15 5. **Health Insurance Extension.** For employees who do not qualify for benefits as
16 described in Sections C.1. or C.2. above, District-paid health, dental, vision, and life
17 insurance coverage shall be extended to the end of the calendar month in which
18 employment is terminated.
19
- 20 6. **Dental Insurance Extension.** Employees who retire from the District may remain
21 in a District plan by paying personally the insurance premiums as provided for in
22 Education Code, Section 7000. Employees who terminate employment with the
23 District may extend their dental insurance at employee expense as provided in the
24 Consolidated Omnibus Budget Reconciliation Act (COBRA). Information should be
25 requested from the Risk Management Branch.
26

- 27 D. **TUBERCULOSIS EXAMINATION.** Required examinations for tuberculosis shall be
28 provided by the District at no cost to employees only if District-designated service providers
29 are utilized. The TB testing procedures has added a TB risk assessment questionnaire and,
30 if risk factors are identified, the District shall require TB testing and examination to
31 determine the unit member is free of infectious tuberculosis. The examination shall consist
32 of an approved intradermal tuberculin test (Mantoux), which, if positive, shall be followed
33 by an x-ray of the lungs.
34
- 35 E. **CONSULTATION MEETINGS.** The Association shall be invited on an annual basis to
36 consultation meetings with the District and other employee groups for the purpose of
37 exchanging information on the implementation of health, dental, and vision plans. The
38 District also shall provide the Association the following documents without cost: provider
39 service agreements, financial reports, cost containment reports, and claims information
40 summaries.
41
- 42 F. **HEALTH AND WELFARE BENEFITS COMMITTEE.** The Association and District
43 agree to form a joint committee to meet on an as needed basis to address the current and
44 projected increases in health care costs. All recommendations will be submitted for

1 consideration to the respective collective bargaining teams for negotiating. The specific
2 duties of the subcommittee shall include:

- 3
- 4 a. Actively considering health and benefit cost containment measures relating to District
5 PPO, HMO, vision and dental insurance plans for recommendation to the parties. This
6 includes, but is not limited to, co-payments and plan design modifications, active rate
7 bidding by health care vendors/providers and alternative plans. It is the intent that the
8 subcommittee shall use every reasonable effort to maintain the premiums for the lowest
9 cost District HMO medical plan below the District annual maximum contribution
10 described in Section B.2 above.
- 11
- 12 b. Membership education intended to fully maximize health benefits in a manner that
13 encourages cost containment and quality health care (e.g., use of emergency room for
14 non-emergency matters, use of generics, etc.).
- 15
- 16 c. Ongoing data sharing regarding comparable costs and health plans with similar districts.
- 17
- 18 d. Timelines for meetings consistent with making necessary recommendations for ongoing
19 negotiations and health benefit renewal dates.
- 20
- 21 e. Identifying an additional \$800,000 in cost containment and plan changes for TALB unit
22 members for implementation no later than January 1, 2014. These cost containment
23 changes will reduce the premiums for the affected plans beginning January 1, 2014 and
24 are intended to mitigate individual unit member premium contributions as described in
25 Section B.2.

26

27 Committee representation shall be limited to a maximum of four representatives from each
28 party. The parties shall utilize consultants and/or facilitators as mutually agreeable. Team
29 members shall agree to joint training on labor-management facilitation, health benefit design
30 and how to assess benefit plans and look for cost savings while maintaining quality health
31 care.

32

33 Subject to state or federal regulations, the parties agree that all data and communications
34 regarding health and welfare benefit programs shall be shared openly between the parties,
35 including discussions regarding bidding and renewals.

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