

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 each work site of the Child Development Centers and Head Start Program offices and on the District web site. The Provisions for Administration of Salary Schedules are 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), as applicable, employees may request review of a perceived discrepancy in annual service as reported in that statement.
4. Pay Warrant Adjustments. (Education Code, Section 45051) Contract employees hired after the beginning of the contract year shall be notified at the time

1 of employment that they will receive a pay adjustment in their first warrant.
 2 Contract employees who resign, retire, go on unpaid leave, or are terminated prior
 3 to the end of their work year may have their last pay warrant adjusted.
 4

- 5 5. **Mileage.** Employees who are authorized by the Board of Education to receive
 6 reimbursement for mileage will be reimbursed at the rate per mile established by the
 7 Internal Revenue Service for business mileage.
 8
- 9 6. **Head Teachers (Head Start).** Head teachers shall receive two (2) increments in
 10 addition to their regular step and column placements described in the current salary
 11 schedule.
 12
- 13 7. **403(b) and 457 Plans.** Unit members may participate in the District approved tax
 14 sheltered annuity plans, including the 403(b) 457 plans, through voluntary payroll
 15 deduction. The District shall pay the fees, if any, of a third-party administrator who
 16 will be responsible for plan administration and compliance. The District shall consult
 17 with TALB when considering a change in the 403(b) or 457 third party administrator.
 18

19 **B. HEALTH AND WELFARE BENEFITS:**
 20

- 21 1. **Employee Eligibility.** All bargaining unit employees working fifty (50) percent or
 22 more of a full-time assignment as defined in Article V (Days and Hours of
 23 Employment), Sections A. and J., are eligible for health, dental, vision, and life
 24 insurance benefits as provided in this Article. Effective 2010-11, the employer
 25 contribution shall be pro-rated for less-than-full time unit members.
 26
- 27 a. All coverage is effective the first day of paid service or first paid day upon
 28 return from unpaid leave of absence.
 29
- 30 b. Any employee in unpaid leave status for a period in excess of thirty (30)
 31 calendar days may continue health and welfare benefit coverage as provided
 32 in this Article by personally paying the premiums. The percent of the annual
 33 premiums to be paid shall be the same as the percent of the contract year
 34 during which the employee is in unpaid leave status. (For example, a one
 35 hundred seventy-eight [178] day employee on unpaid leave for one [1]
 36 semester, i.e., eighty-nine [89] days, is responsible for fifty (50) percent of
 37 the annual benefit premiums.)
 38
- 39 c. Effective 9/1/06, an employee who fails to enroll during open enrollment or
 40 within thirty (30) days of initial eligibility will be automatically enrolled in
 41 PPO, Delta Premier, Vision, and Life.
 42
- 43 d. Dependents of employees who, pursuant to paragraph c. above, are
 44 defaulted into the designated District group medical plans are not eligible
 45 to be enrolled except as follows:
 46

- 1 (1) During the next open enrollment period; and/or
 2
 3 (2) Within thirty (30) days of becoming eligible by virtue of such
 4 qualifying events as birth, adoption, marriage or registering of a
 5 California Domestic Partnership.
 6

- 7 2. The 2013 District annual maximum contribution toward individual unit member
 8 insurance premiums for District medical plans for full time employees, employee
 9 plus one and family coverage shall be based on the 2013 District PPO rates as
 10 adjusted by the cost containment changes. The District’s annual maximum
 11 contribution excludes District dental and vision insurance.
 12

13 Beginning the 2014 insurance year (January 1, 2014), and each year thereafter, the
 14 District shall increase the prior year’s District annual maximum contribution
 15 toward individual unit member insurance premiums for District medical plans for
 16 full-time employees, employee plus one and family coverage by 3.5%. In the event
 17 the elected coverage in a District insurance program exceeds the above stated
 18 District maximum annual contribution, the cost difference shall be paid by the unit
 19 member through payroll deduction. The Health Benefits committee shall actively
 20 work to limit increases greater than 3.5%, through plan design modifications,
 21 vendor selection, wellness programs, and member education. In the event that the
 22 combination of the annual PPO rate increase and/or cost containment results in
 23 premiums below the District maximum annual contribution described above, that
 24 difference will mitigate future rate increases.
 25

26 Effective January 1, 2016, change the health and welfare plan year from the current
 27 calendar year (January 1 to December 31) to match the District’s fiscal year (July 1
 28 to June 30). The change shall be managed in the following manner:
 29

- 30 a. Effective July 1, 2016 the new plan year shall be based on the fiscal year (12
 31 months). Open enrollment shall take place in May of each year with all plan
 32 changes being effective on July 1.
 33 b. Flexible Spending Accounts will remain on the calendar year and will
 34 continue to have their open enrollment in November.
 35 c. In the initial transition year, the deductibles and out-of-pocket maximums that
 36 have accrued during the “short” plan year shall carry over for the first plan
 37 year based on the fiscal calendar. The accrued deductible and out-of-pocket
 38 maximum then shall reset back to zero on July 1, 2017.
 39 d. The District Annual Maximum (DAM) shall be converted to the fiscal year
 40 by taking the arithmetic average of the DAM for 2016 and 2017 calendar
 41 years.

42 Example:

$$43 \quad 2016-2017 \text{ DAM} = [(2016 \text{ DAM}) + (2017 \text{ DAM})]/2$$

44 Effective July 1, 2017 the DAM will increase each July 1 by 3.5%.
 45

- 1 3. The lowest cost District HMO medical plan offered unit members in any given
 2 insurance year shall not be subject to the District annual maximum contribution
 3 described in Section 2 above. In the event that the District anticipates that the
 4 premiums for the lowest cost District medical HMO plan may exceed the District
 5 annual maximum contribution as described in Section 2 above in the succeeding
 6 year, negotiations will automatically be initiated to address the excess cost during
 7 the next round of negotiations.
 8
- 9 4. All eligible unit members retiring from the District after August 31, 2013 shall
 10 receive the same District annual maximum contribution for District medical plans
 11 provided to active unit members. Eligible unit members who retire on or before
 12 the above date shall not be subject to the District’s annual maximum contributions
 13 as described in Section 2 above.
 14
- 15 5. The District shall apply any health benefit cost containment changes, including plan
 16 design changes, implemented for active employees to retirees.
 17
- 18 6. **Health Insurance.** Employees may choose coverage for themselves and their
 19 eligible dependents or same gender domestic partners for whom a Declaration of
 20 Domestic Partnership is currently on file in the office of the Secretary of State for
 21 the State of California. A choice shall be made from any one of the approved plans
 22 described below during the enrollment period announced by the Risk Management
 23 Branch. The District will pay no dollar amount greater than the maximum premium
 24 equivalent paid to fund the comprehensive plan carrier. The employee must pay
 25 any additional premium cost. This arrangement is consistent with federal
 26 regulations concerning health maintenance organizations (HMO).
 27
- 28 a. Kaiser Foundation Health Plan.
 29 Brief description of coverage: Unlimited lifetime maximum.
 30 Continuation of existing plan without modification of benefits, except as
 31 noted.
 32
- 33 Annual out of pocket maximums are \$1,500 Individual and \$3,000
 34 Family
 35
- 36 Physician Visit: \$10 co-pay, effective 7/1/2017.
 37
- 38 Emergency Room Visit: \$100 co-pay, effective 3/1/2013. The fee is waived
 39 if the person is admitted to the hospital.
 40
- 41 Chiropractic Care: \$5 co-pay and 30 visits per year, effective 1/1/07.
 42
- 43 Prescription Plan: (100 Day Supply): Retail Generic and Non-Formulary
 44 co-pays are \$5; Retail Brand co-pay is \$10 effective 7/1/17.
 45
 46

1 b. **HMO Plan.**

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

6
7 HMO. Office visits, \$10; no deductible; hospitalization 100% covered.
8 Unlimited lifetime maximum. Continuation of existing plan without
9 modification of benefits, except as noted effective 7/1/17.

10
11 Emergency Room Visit: \$100 co-pay, effective 3/1/2013. The fee is waived
12 if the person is admitted to the hospital.

13
14 Chiropractic Care (HMO): \$5 co-pay, up to 30 visits per year, effective
15 1/1/07.

16
17 Prescription Plan: Effective 7/1/18, the HMO prescription plan will revert
18 to a three (3) system by the provider. Retail co-pay per thirty (30) day
19 prescription: \$10 formulary; and \$35 non-formulary. Mail order co-pay
20 for up to ninety (90) day prescription supply: \$5 generic; \$5 generic, \$10
21 formulary; and \$35 non-formulary.

22
23 c. **PPO. COMPREHENSIVE MAJOR MEDICAL.** Continuation of
24 existing plan without modification of benefits, except as noted.

25
26 (a) Effective January 1, 2016, \$300/\$600 deductible; 20% co-insurance;
27 \$1,000 individual/\$2,000 family per year out-of- pocket limit (in
28 addition to deductible).

29
30 (b) Effective January 1, 2016, \$500/\$1,000 deductible; 40% co-insurance;
31 \$5,000 individual/\$10,000 family per year out-of-pocket limit (in
32 addition to deductible).

33
34 (c) Chiropractic Care PPO: Up to 25 visits per injury. Extra visits must
35 be deemed medically necessary as of 1/1/22.

36
37 Emergency Room Visit: (In-Network/Out of Network) \$100 co-pay,
38 effective 7/1/2017. The fee is waived if the person is admitted to the
39 hospital; subject to plan specifications.

40
41 Prescription Plan: Effective 7/1/2017 the PPO plan will include a
42 comprehensive prescription program with the following co-pay structure:

43
44 National Formulary: The District shall participate in the National Formulary
45 to the extent offered by the district PPO Plan's Pharmacy Benefit Manager
46 effective July 1, 2016.
47

1 Retail Pharmacy (30 Day Supply): \$5 co-pay for generic; \$20 co-pay for
 2 formulary; and \$50 co-pay for non-formulary.

3
 4 Mail Order (90 Day Supply): \$0 co-pay for generic; \$20 co-pay for
 5 formulary; and \$50 co-pay for non-formulary.

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

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

17
 18 7. **Dental Insurance.** The District agrees to provide eligible employees with District
 19 payment of premium costs. Employees may choose between approved plans
 20 described below:

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

27
 28 In-Network PPO Dentists: \$2,200.
 29 Premier and Out-of-Network Dentists: \$2,000.

30
 31 b. Delta Care (PMI) Dental Health Plan. This is a continuation of the
 32 present plan. Coverage for both the employee and his/her eligible
 33 dependents is provided for by this plan.

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

41
 42 9. **Vision Care Insurance.** The District agrees to provide vision care insurance for
 43 eligible employees. The Medical Eye Services plan provides one (1)
 44 comprehensive examination every twelve (12) consecutive months; two (2) pairs
 45 of lenses in any twenty-four (24) consecutive months. Employee is responsible for

1 paying a ten-dollar (\$10) deductible per calendar year. Prior enrollment in the plan
 2 is required.
 3

- 4 10. **Mental Health Care Service.** Employees and eligible dependents shall be provided
 5 outpatient mental health care service through the same Health provider in which the
 6 unit member is enrolled through the District (i.e. If medical is provided by the PPO,
 7 the mental health care is provided through the PPO.)
 8

- 9 11. **125 Plan – Flexible Spending Accounts.** Upon securing the appropriate
 10 government approval, the District will provide employees the opportunity to
 11 participate in a 125 Plan at no administrative cost to the employee. Attendance at
 12 informational meetings shall be voluntary.
 13

14 C. **DURATION OF BENEFITS:**
 15

- 16 1. **Retiring Employees After Seventeen Years of Service.** Employees shall be
 17 eligible for District-paid premiums for health insurance provided that (a) the
 18 employee is age fifty-five (55) or older upon retirement and has seventeen (17) or
 19 more service years in the District or (b) the employee has at least thirty (30) years
 20 of service credit with STRS or PERS and seventeen (17) or more service years with
 21 the District. This benefit shall end when the retiree reaches age sixty-seven (67) on
 22 the condition that the retiree, if eligible, applies for coverage under Medicare Part
 23 A and B coverage at age sixty-five (65). Eligible employees who fail to apply for
 24 such coverage will not receive District-paid premiums for health insurance from
 25 age sixty-five (65) to age sixty-seven (67). (Article VI, C, 1, Lines 13-16) The
 26 retiree, or unremarried spouse of deceased retiree, may remain in the District plan
 27 by paying personally the insurance premiums without any limit on age.
 28

29 Medicare coverage will be primary for those employees who are eligible; the
 30 District's plan will provide secondary or umbrella coverage over Medicare
 31 payments. Additional information is available from the Risk Management Branch.
 32 (For health insurance benefits, unit member employees compensated for fifty [50]
 33 percent or more of a full-time assignment will receive one [1] year of credit toward
 34 the required seventeen [17] years of service.)
 35

- 36 2. **Resigning/Retiring Employees.** Employees who do not qualify under Section 1.
 37 above and who resign as of the last day of the school year and after having served
 38 a complete contract year immediately prior thereto shall be eligible for District-paid
 39 health, dental, vision, and life insurance benefits through September 30 following
 40 the school year of service.
 41

42 Retirees age fifty-five (55) or older may remain in a District plan by paying
 43 personally the insurance premiums beginning the first of the month after the
 44 employee's retirement date. There is no limit on age. Medicare coverage will be
 45 primary for those employees who are eligible; the District's plan will provide

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

- 3
- 4 3. **Temporary Contract Employees.** Persons with temporary contracts who receive
 5 a letter of assurance for future employment shall have continuous health, dental,
 6 vision, and life insurance benefits through the months of July, August, and
 7 September following receipt of the letter of assurance.
- 8
- 9 4. **Employees on STRS/PERS Disability.** Employees who otherwise qualify and
 10 who are disabled and begin drawing STRS/PERS disability payments after June 1,
 11 1979, shall be eligible for District-paid health insurance for the term of the
 12 disability but not more than thirty-nine (39) months from the dates of approval of
 13 the disability 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. or C.3. above, District-paid
 17 health, dental, vision, and life insurance coverage shall be extended to the end of
 18 the calendar month in which 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
 25 be 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
 29 providers are utilized. The TB testing procedures has added a TB risk assessment
 30 questionnaire and, if risk factors are identified, the District shall require TB testing and
 31 examination to determine the unit member is free of infectious tuberculosis. The
 32 examination shall consist of an approved intradermal tuberculin test (Mantoux), which, if
 33 positive, shall be followed 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
 45 consideration to the respective collective bargaining teams for negotiating. The specific
 46 duties of the subcommittee shall include:

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

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

31
32 Subject to state or federal regulations, the parties agree that all data and communications
33 regarding health and welfare benefit programs shall be shared openly between the parties,
34 including discussions regarding bidding and renewals.