

## **ARTICLE 18 BENEFITS**

### **18.1 Eligibility**

The District shall provide insurance benefits to each probationary or permanent employee as specified in this article.

18.1.1 An employee must be in paid status to be eligible for benefits.

18.1.2 A newly-hired employee is not eligible for benefits until the month following the month of the employee's hire date with the District.

18.1.3 An employee must work at least half-time or at least fifty per cent (50%) of the hours constituting a full-time assignment to be eligible for benefits, except for those hourly classified employees qualifying under section 18.11.

18.1.4 A dependent shall be defined as the employee's spouse or domestic partner and any child who is claimed as an allowable dependent on the employee's federal income tax return.

18.1.5 An employee who resigns or is terminated shall cease to be eligible for insurance benefits at the end of the calendar month during which their resignation/termination becomes effective.

18.1.6 A classified worker shall be deemed to be in paid status during any recess or intersession if the worker is scheduled to return to paid status at the end of the recess or intersession.

### **18.2 Health, Dental, Vision and Prescription Benefits**

18.2.1 Each eligible worker shall enroll in one of the health insurance plans offered under CalPERS. Information on the CalPERS plans, including benefits, coverage limitations, deductibles, copays, and coinsurance, is available online at [http://hr.fhda.edu/benefits/\\_medical-revised.html](http://hr.fhda.edu/benefits/_medical-revised.html). Information for Plan Year is available in Appendix H.

#### **18.2.3 Opt Out**

Employees and retirees may elect to waive coverage. An opt-out election shall remain in effect during the entire Plan Year, and the employee/retiree may not re-enroll in a CalPERS plan except during Open Enrollment or as a consequence of an IRS Section 125 qualifying event. Waiver of coverage shall not result in a compensated allowance in lieu of coverage.

#### 18.2.4 Employee Contribution

The amount of the monthly employee contribution for the option in 18.2.1 selected by a full-time employee shall be respective to the rates for each plan and tier. The information is available online at <http://hr.fhda.edu/benefits/medical-revised.html>. Information for Plan Year is available in Appendix H.

18.2.5 In addition, employees shall have the option of enrolling in vision and dental coverage offered by the District. The respective monthly contribution rates all include the cost of vision and dental coverage. If a subscriber opts out of dental and vision coverage, the reduction in rates will be a flat \$5, regardless of tier (employee-only, employee-plus-one, employee-plus-family). The dental and vision coverage remain identical to that currently in place.

18.2.6 Employee contributions shall be recovered through twelve (12) equal monthly payroll deductions. For employees on less than 12-month contracts, i.e. 10- and 11-month contracts, the contributions required during the non-contract month(s) shall normally be deducted from the first paycheck following the non-contract month(s), typically, the following September. In the event the required monthly contribution exceeds compensation in any regular pay period, the employee shall have the responsibility for paying the District directly for the uncovered amount in accord with the Plan Compliance timelines and procedures.

18.2.7 Each part-time eligible employee who is working in a position of at least fifty per cent (50%) of the hours constituting a full-time assignment as of June 30, 2010, will be responsible to make a monthly contribution associated with the chosen health insurance plan option beginning July 1, 2010, in the amount set out for full-time employees in the attached chart.

Except for a District-imposed reduction in contract through layoff, effective July 1, 2010, each part-time eligible employee who accepts or is hired into a position of at least fifty per cent (50%) of the hours constituting a full-time assignment will be responsible to make a monthly contribution in addition to the monthly contribution associated with the chosen health insurance plan option. The amount of the additional monthly contribution will be the per employee per month cost (PEPM) established for the PY, times the percentage the employee's work assignment is less than a full-time assignment. For example, an employee who works 70% will pay 30% of the PEPM in addition to the monthly contribution associated with the chosen health insurance plan option.

18.2.8 The employee contributions will be recovered through monthly payroll deductions. In the event any monthly payroll amount is insufficient to cover an employee's contribution, the employee shall be responsible to pay the District directly for the unrecovered amount by the first day of the month of coverage.

#### 18.2.9 REOPENER

The health insurance benefits provided under this article shall remain in effect per the guidelines in the Memorandum of Understanding between the District and the Participating Unions of the Joint Labor Management Benefits Council (JLMBC) as referenced in Appendix H.

The District and ACE will open negotiations regarding health insurance benefits based on the recommendations of the JLMBC.

#### 18.3 **Employee Assistance Program**

The District shall provide an employee assistance program for each employee and their eligible dependents. The District and the Union shall maintain approved procedures in making formal referrals to the EAP.

#### 18.4 **Life Insurance**

The District shall provide a \$50,000 level-term life insurance benefit for each employee and a \$5,000 level-term life insurance benefit for each eligible dependent.

#### 18.5 **Long-term Disability Benefits**

The District shall provide each eligible employee with long-term disability insurance as follows:

- 18.5.1 The insurance shall provide a disability payment equal to 66-2/3% of the employee's "basic monthly earnings" on the date they were disabled to a maximum payment of \$6,000 per month. "Basic monthly earnings" means 1/12th of the employee's annual contract salary.
- 18.5.2 The disability payment under the long-term disability shall begin after all accumulated sick leave and extended sick leave under Article 10 has been used.
- 18.5.3 For employees with five (5) years or more of STRS service and two (2) or more eligible children on the date of disability, disability payment shall be paid for one year from the date of disability for both accident and illness provided that the employee is sixty-nine (69) years of age or younger on the date of disability. If the period of disability extends beyond one year, the employee shall receive disability allowance payment from STRS.
- 18.5.4 For all employees not included under Section 18.5.3, the disability payments shall be payable for ten (10) years from the date of disability for both accident and illness provided that the employee is fifty-five (55) years of age or younger on the date of disability. If the employee is older than fifty-five (55) years on the date of disability, the maximum disability payment period shall be the same

as that provided in the maximum disability payment schedule set forth in the District's income protection insurance plan.

18.5.5 An employee who has separated from the District due to medical reasons and is receiving long-term disability payments under Section 18.5 shall be eligible to receive health benefits under 18.2.1 for a period of three (3) years provided that the employee has been employed by the District for at least five (5) years prior to the employee's separation date.

#### 18.6 **Benefits During Unpaid Status**

A classified worker on unpaid leave of absence who is not qualified for paid benefits under Section 18.1 or 18.5.5 may continue to receive benefits by reimbursing the District in advance for the full premium or its equivalent.

#### 18.7 **Flexible Spending Account**

The District shall offer employees the option to fund employee contributions to health insurance premium costs through the use of an IRC 125 plan.

#### 18.8 **Insurance Carriers and Benefit Administrators**

The District shall maintain contracts with current insurance carriers and administrators of insurance benefit plans. Any change of carrier or administrator or level of coverage will be made only after consultation and mutual agreement between the parties to this Agreement. At least once annually benefit information will be sent to all members of the unit.

18.8.1 The District and Union shall meet during the term of this *Agreement* as often as necessary, but no less than quarterly, to review the District's benefit packages. The parties will freely discuss cost saving and benefit options as well as review current usage of the District health plan. Any changes must be mutually agreed upon and approved by the Board of Trustees.

18.8.2 The District will offer workers the opportunity to set up spending accounts for dependents and for worker benefit contributions in accordance with IRS regulations.

#### 18.9 **Domestic Partners**

18.9.1 Bona fide domestic partners aged over 18 of an unmarried eligible employee are eligible to receive health, dental and vision benefits under 18.2.1. Such benefits are available only to domestic partners who are not legally allowed to marry in the state in which they reside.

- 18.9.2 Domestic Partners are eligible for Retirement Medical Insurance and Life Insurance. Benefits will not be provided for dependents of the non-employee Domestic Partner.
- 18.9.3 "Eligibility Criteria for Domestic Partner Benefits" are contained in Appendix G. Additional information regarding eligibility criteria may be obtained by contacting the Human Resources Office.
- 18.9.4 Both the employee and the domestic partner must attest to certain facts by completing and signing a Domestic Partnership Affidavit, which includes an Affidavit of mutual responsibility. The "Affidavit for Enrollment of Domestic Partners" is contained in Appendix G. This Affidavit may have potential legal implications under California law, which has recognized that non-marital cohabiting couples may privately contract with respect to the financial obligations of their relationship. Employees are advised to consult an attorney if they have questions regarding the potential legal effects of signing the Domestic Partnership Affidavit.
- 18.9.5 The District may, at its discretion, require supportive documentation satisfactory to the District concerning the eligibility criteria and assertions contained in the Affidavit.
- 18.9.6 The Administrator of any benefit plan at issue will be the sole and final judge of whether a domestic partner is eligible for benefits.

18.10 **Workers' Compensation**

All workers are protected under provisions of the State Workers' Compensation Insurance Law. (See also Industrial Accident Leave, Section 10.9.) Any injury must be reported to the campus Health Services, the Office of Risk Management or the Office of Human Resources within 24 hours or the claim may be denied.

18.11 **Health Benefits for Classified Hourly Employees**

A classified hourly employee who affirms that they have no other access to medical insurance may enroll in an individual basic Kaiser health insurance plan effective the first of the month following date of hire. The District will provide prorated premium subsidy for Employee-only coverage on the basis of the proportion of the employee's regular assignment to full-time; for example, if a Classified Hourly employee's regular assignment is 16 hours per week, the District will pay 40% of the Kaiser employee-only premium and the employee pays 60% of the premium. Additional coverage for Employee+1 or Employee+Fam will be a buy up at the employee's expense.

- 18.11.1 Classified hourly employees must enroll annually.

- 18.11.2 Premium payments shall be dependent on the classified hourly employee's work schedule in the prior year. That is, if the work schedule drops to 8 hours per week in the following year, the employee will pay 80% of the premium and the District will pay 20% of the premium.
- 18.11.3 Premium payments will be made through payroll deductions from the regular monthly paychecks. District subsidy payments shall be made through reimbursement of its portion of the premium payment made by the employee directly to Kaiser for plan coverage.
- 18.11.4 Eligibility shall cease upon separation from service or change in status as a Classified Hourly employee.

18.12 **Negotiations**

- 18.12.1 The health insurance benefits provided under this article shall remain in effect per the guidelines in the Memorandum of Understanding between the District and the Participating Unions of the Joint Labor Management Benefits Council (JLMBC) as referenced in Appendix H.
- 18.12.2 The District and ACE will open negotiations regarding health insurance benefits based on the recommendations of the JLMBC.