

MEMORANDUM OF UNDERSTANDING
BETWEEN
FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT
AND
THE PARTICIPATING UNIONS OF THE JOINT LABOR MANAGEMENT COUNCIL
("JLMBC") COMPOSED AS FOLLOWS:
ASSOCIATION OF CLASSIFIED EMPLOYEES,
CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION,
FACULTY ASSOCIATION,
POLICE OFFICERS ASSOCIATION,
AND TEAMSTERS

This Memorandum of Understanding is entered into by and between the Foothill-De Anza Community College District (District) and the following Unions: the Association of Classified Employees (ACE), the California School Employees Association (CSEA), the Faculty Association (FA), the Police Officers Association (POA), and the Teamsters.

The parties agree that the following provisions, described in Sections I through IX, shall constitute an agreement between the Unions and the District on the topic of Paid Benefits for Plan Year 2025, starting January 01, 2025. The provisions of this agreement are subject to ratification by members of the bargaining units, where required, and approval by the Board itself.

SECTION I: BENEFITS PLAN PROVIDER

Affecting the 2025 Plan Year, CalPERS shall remain the provider for all District medical health insurance plans for all qualified employees, retirees, and eligible dependents.

SECTION II: HEALTH PLAN OPTIONS

Qualified employees shall continue to have the option to enroll in any one of the plans offered by CalPERS and available in the participant's geographic area; not all plans are available in all areas. For example, CalPERS offers several PPO plans, including: PERS Platinum, PERS Gold, and PORAC; several HMO plans including: Anthem Select HMO, Anthem Traditional HMO, Kaiser Permanente HMO, Blue Shield Access+ HMO, Blue Shield Trio HMO, UnitedHealthCare Harmony HMO, UnitedHealthCare Signature Alliance HMO, and Western Health Advantage. Plan choices are subject to change and are entirely under the control of

CalPERS. Brief information, including benefits, coverage limitations, deductibles, copays, and coinsurance, is contained in the CalPERS Health Benefit Summary published by CalPERS for each Plan Year. Full information is provided in the plan documents provided by the respective provider.

SECTION III: EMPLOYEE CONTRIBUTION RATES for PLAN YEAR 2025

Medical Plans: The active employee/non-Medicare retiree contribution shall be equal to the PY 2024 contributions (in dollars) for each plan and tier (employee only; employee plus one; employee plus family). The District will fund 85% of the CalPERS medical premium with ongoing dollars, and use one-time funds as needed to “buy down” the employee contribution rate to match PY 2024. That is, one-time funds may be used to pay the difference between 15% of the 2025 CalPERS medical plan premium and the PY 2024 employee contribution rates. All plans shall require eligible employees to contribute for each plan choice and tier placement as described below. In accordance with the principles developed by the Joint Labor Management Benefits Council (JLMBC), the parties agree to the employee monthly contribution rates specified below. See Section IX (a) for information and rates affecting eligible part-time faculty. In the event new plans not currently identified are added for Plan Year 2025, the Joint Labor Management Benefits Council will convene immediately to negotiate employee/retiree contributions for the added plan(s). The addition of new plans will not change or alter the employee/retiree contributions for any plans continuing from PY 2024 to PY 2025.

Contribution rates in each plan shall have three tiers: employee only; employee plus one; employee plus family. Other than the PORAC plan, the rate for each tier shall be based on a proportional formula: employee only = employee rate x 1; employee plus one = employee rate x 2; employee plus family = employee rate x 2.6.

Dental Plan: The monthly employee contribution shall be \$5 (employee only), \$10 (employee plus one), or \$15 (employee plus family).

Vision Plans: The monthly employee contribution shall be \$1 (employee only), \$2 (employee plus one), or \$3 (employee plus family).

Rates for each plan and tier, which include the Post 97 Health Benefits Reserve contribution (Section VII), are expressed monthly, i.e., 1/12th of the employee annual contribution as specified below:

ACTIVE EMPLOYEE CONTRIBUTION RATES:

PPO Plans

PERS Platinum PPO	January 1, 2025
EE	\$213.00
EE + 1	\$416.00
EE + family	\$541.00

PERS Gold PPO	January 1, 2025
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EE	\$153.00
EE + 1	\$296.00
EE + family	\$385.00

PORAC	January 1, 2025
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EE	\$156.00
EE + 1	\$340.00
EE + family	\$426.00

HMO Plans

Kaiser HMO	January 1, 2025
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EE	\$169.00
EE + 1	\$328.00
EE + family	\$426.00

Anthem Select HMO	January 1, 2025
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EE	\$187.00
EE + 1	\$364.00
EE + family	\$472.00

Anthem Traditional HMO	January 1, 2025
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EE	\$217.00
EE + 1	\$424.00
EE + family	\$550.00

Blue Shield Access+ HMO	January 1, 2025
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EE	\$178.00
EE + 1	\$345.00
EE + family	\$448.00

Blue Shield Trio HMO	January 1, 2025
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EE	\$158.00
EE + 1	\$306.00
EE + family	\$397.00

UnitedHealthCare Harmony HMO	January 1, 2025
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EE	\$157.00
EE + 1	\$303.00
EE + family	\$394.00

UnitedHealthCare Signature Alliance HMO	January 1, 2025
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EE	\$180.00
EE + 1	\$349.00
EE + family	\$454.00

Western Health Advantage HMO	January 1, 2025
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EE	\$137.00
EE + 1	\$264.00
EE + family	\$343.00

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, or the employee is not in pay status, or the employee is eligible for District paid-benefits under Long-Term Disability (LTD) status, in order to continue health benefit coverage the employee must enroll with CalPERS under the Direct Pay Plan. The District Benefits Unit shall assist the member with the transition and forward the request to CalPERS, in accordance with CalPERS processes.

When Direct Pay status is applicable:

The following CalPERS process generally applies – CalPERS will contact the individual insurance carrier to set up Direct Pay, a process that normally takes one month. In the intervening period before Direct Pay is established, CalPERS will bill the District (since the invoice is issued in advance) and the District shall invoice the member for the employee's contribution for the intervening period.

Once Direct Pay is established, the employee must prepay the full cost of the monthly premium for the CalPERS plan selected when receiving the bill from the plan provider. Direct Bill payments cannot, by law, be pre-tax.

To seek reimbursement in arrears for the Employer Share of Cost (the plan's monthly premium minus the employee's required monthly contribution), the employee shall submit proof of payment and invoice for each month to the Benefits Unit. Payment is calculated month-by-month based on twelve (12) calendar months.

When the employee returns to work within the applicable benefits plan year, the Benefits Unit shall transition the member back to Active Account with the next regular payroll cycle.

SECTION IV: RETIREE BENEFITS

(a): Retired Employees Hired Before July 1, 1997

"Pre 97 Retirees" who qualify under the terms of their respective "paid benefits for retired employees hired before July 1, 1997" contract provisions are eligible to participate in the District's medical health insurance plans in the same manner as eligible employees and may select from the same plan choices and contribution levels as offered to eligible employees, subject to any limitations imposed by CalPERS.

The parties acknowledge that for California-resident Medicare-eligible retirees and their Medicare-eligible dependent(s), the PERS Platinum and PERS Gold offer identical Benefits within California.

In accord with CalPERS regulations, the entire CalPERS retiree monthly premium for the plan selected is deducted from the monthly retirement warrant (e.g. STRS or PERS pension check), and the District shall reimburse the retiree the difference between the CalPERS premium deduction and the subscriber's required monthly contribution (as specified below: Pre-97 Hired Retiree Contribution Rates). In the event the CalPERS retiree monthly premium exceeds the retiree's monthly retirement warrant, the retiree shall have the responsibility for paying CalPERS directly for the required retiree monthly premium in accord with CalPERS procedures.

The District shall provide reimbursement in arrears for the District's monthly contribution towards the Retired employee's benefit. Reimbursement shall be made upon submission to the Benefits Unit of proof of payment and invoice by CalPERS or the Retiree, as applicable, for each month of coverage.

Election of a medical health plan shall also include vision and dental coverage offered by the District. Pre-97 Retirees may not opt out of dental and vision coverage, nor elect only vision and dental coverage. The dental and vision coverage remains essentially unchanged from the plan currently in place.

PRE-97 HIRED RETIREE CONTRIBUTION RATES:

PPO Plans

PERS Platinum PPO Basic/Medicare Supplement January 1, 2025

EE	\$213.00
EE + 1	\$416.00
EE + family	\$541.00

PERS Gold PPO Basic/ Medicare Supplement January 1, 2025

EE	\$153.00
EE + 1	\$296.00
EE + family	\$385.00

PORAC Basic/ Medicare Supplement January 1, 2025

EE	\$156.00
EE + 1	\$340.00
EE + family	\$426.00

United Healthcare Medicare Advantage PPO January 1, 2025

EE	\$119.00
EE + 1	\$227.00
EE + family	\$334.00

Anthem Medicare Preferred PPO January 1, 2025

EE	\$217.00
EE + 1	\$424.00
EE + family	\$550.00

Blue Shield Medicare Advantage PPO	January 1, 2025
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EE	\$217.00
EE + 1	\$424.00
EE + family	\$550.00

HMO Plans

Kaiser HMO/ Kaiser Senior Advantage HMO	January 1, 2025
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EE	\$169.00
EE + 1	\$328.00
EE + family	\$426.00

Kaiser Senior Advantage Summit HMO	January 1, 2025
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EE	\$179.00
EE + 1	\$348.00
EE + family	\$516.00

Anthem Select HMO	January 1, 2025
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EE	\$187.00
EE + 1	\$364.00
EE + family	\$472.00

Anthem Traditional HMO	January 1, 2025
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EE	\$217.00
EE + 1	\$424.00
EE + family	\$550.00

Blue Shield Access+ HMO	January 1, 2025
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EE	\$178.00
EE + 1	\$345.00
EE + family	\$448.00

Blue Shield Trio HMO	January 1, 2025
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EE	\$158.00
EE + 1	\$306.00
EE + family	\$397.00

UnitedHealthCare Harmony HMO	January 1, 2025
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EE	\$157.00
EE + 1	\$303.00
EE + family	\$394.00

UnitedHealthCare Signature Alliance HMO	January 1, 2025
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EE	\$180.00
EE + 1	\$349.00
EE + family	\$454.00

Western Health Advantage HMO	January 1, 2025
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EE	\$137.00
EE + 1	\$264.00
EE + family	\$343.00

(b): Retired Employees Hired After July 1, 1997 – Medical Health Insurance

“Post 97 Retirees” who qualify under the term of their respective “paid benefits for retired employees hired after July 1, 1997” contract provisions are eligible to participate in the District’s medical health insurance plans by contracting directly with CalPERS.

To seek reimbursement in arrears for the District’s monthly contribution towards the Retired employee’s Bridge Program benefit, the Retiree shall submit proof of payment and invoice to the Benefits Unit for each month of coverage.

(c) Retired Employees Hired After July 1, 1997 – Vision and Dental Coverage

Retirees who qualify under the term of their respective “paid benefits for retired employees hired after July 1, 1997” contract provisions – i.e., the Bridge Program – are eligible to participate in the District’s vision and dental insurance plans as follows.

Retired employees who are under age 65 and are participating in the Bridge Program may elect the District's vision and dental coverage, as a package only, at full cost. Payment shall be made for the cost of the vision and dental plan participation by offsetting the Post 97 Retiree's Bridge Program reimbursement.

Retirees who do not qualify under the Bridge Program or who have reached age 65 or older, may contract directly with vision and/or dental plan providers, in accordance with the terms of their contract, at their own cost. Retirees shall make payments in accordance with those provider contract(s).

SECTION V: DISTRICT CONTRIBUTION FOR BENEFITS

The District will fund 85% of the CalPERS medical premium with ongoing dollars, and use one-time funds as needed to "buy down" the employee contribution rate to match PY 2024. That is, one-time funds may be used to pay the difference between 15% of the 2025 CalPERS medical plan premium and the PY 2024 employee contribution rates.

SECTION VI: DISTRICT HEALTH PLAN WAIVER

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 life event. Waiver of coverage shall not result in a compensated allowance in lieu of coverage.

SECTION VII: POST 97 HEALTH BENEFITS RESERVE

The parties have created a Post-97 Fund – i.e., the VEBA Trust – dedicated to a post-age-65 retiree benefit for District employees hired after July 1, 1997. The Post-97 Fund was established with the FA Post-1997 Health Benefits Reserve (\$250,000), the ACE Post-1997 Health Benefits Reserve (\$250,000), \$500,000 from Fund 600, and previously agreed to funding on the basis of tiered contributions per enrolled employee/retiree per month at the rate of \$10 employee-only; \$10 employee-plus-one; and \$10 employee-plus-family. Future funding shall be subject to negotiation. The Post-97 Fund shall not increase the District's GASB unfunded liability.

Further, a one-time allocation of funds in the amount of \$800,000 – that is, \$500,000 from non-RSF district funds plus \$300,000 from RSF funds – was paid as a benefit allowance to all regular and contract (benefit eligible, excluding PT Faculty) employees in December of 2016 for Plan Year 2017. All contract and regular employees, on the same frequency as and amount of the benefit allowance, contributed to the benefits fund via a special deduction that was then redirected for the purpose of commitment to the Post-97 VEBA trust.

SECTION VIII: TERMS AND CONDITIONS


- a) The parties acknowledge that the employee/retiree contribution rates specified herein are based on the district's contribution of 85% of the CalPERS medical plan premium using ongoing funds, and may utilize one-time funds as needed to 'buy down' the employee contribution rate to match the PY 2024 employee contribution rate in dollars.


- b) The parties acknowledge that the employee/retiree contribution rates for dental and vision plans are \$6, \$12, \$18 respectively for employee only, employee plus one, and employee plus family. (These contributions are \$5, \$10, or \$15 for dental, and \$1, \$2, or \$3 for vision.)
- c) Finally, the parties acknowledge that the District continues to face uncertain fiscal stability. The parties agree that the JLMBC shall continue to review the health insurance benefit costs and make recommendations regarding health insurance benefits, including plan coverage, associated costs, and contribution structures subsequent to the duration of this agreement.

SECTION IX: ADDITIONAL PROVISIONS FOR SPECIFIC BARGAINING UNIT

The parties acknowledge there may be specific provision(s) relevant to each union's collective bargaining agreement (CBA) and exclusively related to health benefits. Further, the parties agree to bring to the JLMBC any such benefit provision that may be relevant to, or have an impact on, the total cost of health insurance or the coverage provided to the other bargaining groups.


The additional provisions pertaining to the Faculty Association (FA) Paid Benefits Program (for Part-Time Faculty) are contained in Section IX (a) attached at the end of this document.

08/08/2024	<u>Chris White</u>	
Date	Print Name	Signature
Association of Classified Employees (ACE)		

08/08/2024	<u>Stanley Saraos Jr.</u>	
Date	Print Name	Signature
California School Employees Association (CSEA)		

08/08/2024	<u>Juan Carlos Anderson</u>	
Date	Print Name	Signature
California School Employees Association (CSEA) Local Area Representative		

08/08/2024	<u>Kathy Perino</u>	 Kathy Perino (Aug 8, 2024 11:43 PDT)
Date	Print Name	Signature
Faculty Association (FA)		

08/08/2024	<u>Pat Hyland</u>	
Date	Print Name	Signature
FHDA District		

08/08/2024	Kevin Strauss	<u>Kevin Strauss</u> Kevin Strauss (Aug 8, 2024 11:45 PDT)
Date	Print Name	Signature
Police Officers Association (POA)		

08/08/2024	Elaine Kuo	<u>Elaine Kuo</u> Elaine Kuo (Aug 8, 2024 14:44 PDT)
Date	Print Name	Signature
Teamsters		

SECTION IX (A): PART-TIME FACULTY BENEFITS SHALL BE PROVIDED IN ACCORDANCE WITH ARTICLE 22A OF THE FACULTY AGREEMENT.

Eligibility for District-provided subsidy in accordance with Article 22A of the Agreement shall be determined annually for the benefits coverage period September 1, 2024 through August 31, 2025 based upon the part-time faculty employee's load and attainment during the 2023 – 2024 academic year.

District Contribution: Effective September 1, 2024, District responsibility for premium payment for FHDA 40% or greater faculty employees shall be equivalent to the District's premium payment for fulltime faculty toward the same plan and coverage level.

Employee Contribution: Effective September 1, 2024, FHDA faculty employees with a 40% or greater appointment shall have a contribution rate no more than that of full-time faculty employees for the same plan and coverage level.

In the event new plans not currently identified are added for Plan Year 2025, the District and FA, along with the remaining members of the Joint Labor Management Benefits Council, shall immediately resume negotiations to reach agreement on the contributions for the added plan(s).

In the event the required employee monthly contribution exceeds compensation in any regular pay period, or the part-time faculty member is not in paid status during a regular academic quarter (i.e., has no paid assignment in that particular quarter), in order to continue health benefit coverage the employee must prepay for their monthly employee contributions directly with the District Benefits Unit.

The parties acknowledge that CalPERS regulations and administrative procedures for providing Part-Time Faculty Paid Benefits coverage continue to evolve and may necessitate future modifications. The parties agree to work together in good faith to protect the benefits provided by Article 22A and to resolve in the best interests of all parties any issues that may arise.

PART-TIME FACULTY EMPLOYEE CONTRIBUTION RATES:*PPO Plans*

PERS Platinum PPO	January 1, 2025
EE	\$197.00
EE + 1	\$394.00
EE + family	\$513.00
PERS Gold PPO	January 1, 2025

EE	\$137.00
EE + 1	\$274.00
EE + family	\$357.00

HMO Plans

Kaiser HMO	January 1, 2025
EE	\$153.00
EE + 1	\$306.00
EE + family	\$398.00
Anthem Select HMO	January 1, 2025

EE	\$171.00
EE + 1	\$342.00
EE + family	\$444.00

Anthem Traditional HMO	January 1, 2025
EE	\$201.00
EE + 1	\$402.00
EE + family	\$522.00
Blue Shield Access+ HMO	January 1, 2025

EE	\$162.00
EE + 1	\$323.00

EE + family	\$420.00
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Blue Shield Trio HMO	January 1, 2025
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EE	\$142.00
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EE + 1	\$284.00
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EE + family	\$369.00
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UnitedHealthCare Harmony HMO	January 1, 2025
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EE	\$141.00
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EE + 1	\$281.00
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EE + family	\$366.00
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UnitedHealthCare Signature Alliance HMO	January 1, 2025
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EE	\$164.00
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EE + 1	\$327.00
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EE + family	\$426.00
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Western Health Advantage HMO	January 1, 2025
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EE	\$121.00
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EE + 1	\$242.00
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EE + family	\$315.00
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08/08/2024	Kathy Perino	 <small>Kathy Perino (Aug 8, 2024 15:15 PDT)</small>
Date	Print Name	Signature
Faculty Association (FA)		

08/08/2024	Pat Hyland	
Date	Print Name	Signature
FHDA District		