

TENTATIVE AGREEMENT

ARTICLE 13 – HEALTH PLAN

13.1 Health Plan

(Current Contract Language for intent of the health plan- strike outs for redundancy and language no longer applicable/necessary)

A. Medical and Prescription Plans

The District agrees to offer options for health plan coverage, as described below, beginning the first day of the month following thirty (30) days of employment and continuing until employment termination. For employees who elect to participate in the District’s health benefits plan, coverage will extend until August 31 for any terminating employee who holds and completes a full year contract. ~~Terminating~~ Teachers who qualify for health coverage under the Alaska Teachers’ Retirement System (TRS) do not qualify for health coverage under the District’s plan. An employee has the option to continue health plan coverage at his/her own expense during a long-term leave of absence.

Employees may choose not to be covered by District health benefits and therefore not required to make an employee contribution, provided the employee signs a statement attesting that he/she is covered by other health insurance. Employees who wish to enroll a spouse and/or children in the District’s plan may do so by completing the proper paperwork and providing the required supporting documentation to Human Resources in a timely manner.

The District offers a Plan Option A and two High Deductible Health Plans (HDHP). Plan A will only be available to employees enrolled in Plan A as of January 1, 2021 who remain continuously enrolled in Plan A. Plan options, benefits, and criteria for participation are described in the *Summary Plan Description*. The District shall provide each employee with a copy of the Summary Plan Description describing health care benefits and shall inform employees of any changes in benefits annually.

Employee contributions to the District’s plan in the form of payroll deductions will be based on a tiered structure as follows:

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District Chief Spokesperson

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Employee + Spouse or Employee + Child(ren)  
Employee + Family

**Employee contributions will be deducted from employee paychecks over nineteen (19) pay periods beginning with the first paycheck in September.**

~~Plan costs~~ **Employee contributions** will be set annually based on a ~~fiscal year basis~~ **the projected plan cost for the calendar year. the prior fiscal year experience period.** ~~Cost~~ **The projected plan costs** will be established by the health plan consultant's ~~projected costs for the health plan using an actuary and are dependent on which family tier of coverage is selected.~~ ~~Employee contributions will be deducted from employee paychecks over nineteen (19) pay periods beginning with the first pay check in September.~~ **based on the prior fiscal year experience period using the standard actuarial methods.**


~~For the High Deductible Health Plans (HDHP) (Plan B and Plan C), the District shall pay 100% and an employee shall pay 0% of the health plan costs for calendar years 2020 and 2021. The dollar amount for the 100% rate will become the hard cap of District contribution for Plans A, B and C.~~ **The 100% rate established in 2021 is the hard cap of the district contribution for Plans A, B and C.**

- Plan A = \$3498**
- Plan B = \$1007**
- Plan C = \$1626**

~~If actual claims in each of the three plans are less than the projected claims, the difference will be credited towards the employee dollar share for the purpose of calculating the subsequent year's premium for each plan. Premiums shall not be less than zero (0).~~

An employee's contribution for Plan Option A, B and C will be based on a negotiated formula applied to the tiered structure as follows:

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<i>Plan</i>	<i>% of Base Employee Contribution</i>
Employee Only	75%
Employee + Spouse or Employee + Child(ren)	100%
Employee + Family	125%

~~For part-time employees, the District's contribution rate is prorated based on the part time employee's FTE and as such, the contribution rate is two (2) times the full-time employee rate.~~

Health plan costs are composed of claims paid, the costs of administering the health care plan by the third party administrator or its successor(s), aggregate and specific stop-loss premiums, utilization review fees, case management costs, health program audit rewards, ~~PA Clinic~~, **direct provider costs**, wellness initiative costs, COBRA premium receipts, refunds, consultant fees, and any added costs resulting from changes in the administration of the health benefits plan agreed to by the parties during the term of the collective bargaining agreement or due to any requirement imposed by state or federal law.

Plan B will be a qualified High Deductible plan eligible for Health Savings Account (HSA) and Plan C will be a qualified High Deductible plan eligible for Health Reimbursement Arrangements (HRA).

Employees enrolled and participating in a qualifying (HSA)/Plan B, may elect an annual seven-hundred fifty (\$750) dollar District contribution for the duration of this contract.

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Employees enrolled and participating in a qualifying (HRA)/Plan C, shall receive an annual seven-hundred fifty (\$750) dollar District contribution for the duration of this contract.


B. Dental, Vision, and Audio Plan

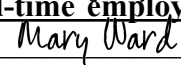
Dental, Vision, and Audio (DVA) coverage is an optional plan that is available to all employees at an additional cost. ~~Beginning in calendar year 2021, all employees who elect the optional DVA plan shall pay the premium costs. Those employees who waive medical and prescription coverage may elect to purchase DVA coverage at the same rate.~~ **The DVA Base-Employee Contribution is equal to 20% of the projected plan cost for dental, vision and audio coverage. The employee contribution is as follows:**

<i>Plan</i>	<i>% of Base Employee Contribution</i>
Employee Only	75%
Employee + Spouse or Employee + Child(ren)	100%
Employee + Family	125%

C. **For part-time employees, the District’s contribution rate is prorated based on the part time employee’s FTE and as such, the contribution rate is two (2) times the full-time employee rate.**

D. Shared-time employees are considered part-time employees, therefore, pay the employee cost for medical and dental, vision, and audio (DVA) at the part-time employee rate.

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**not exceed the total cost for these benefits for one full-time teacher. The employer's cost for the second shared-time teacher will be paid by the shared-time teachers.**

E. Joint Committee on Health Benefits


A *Joint Committee on Health Benefits* (Joint Committee) shall be composed of three (3) representatives selected by the Fairbanks Education Association, three (3) representatives selected by the Education Support Staff Association, one (1) representative selected by the Fairbanks Principals' Association, the Fairbanks North Star Borough Risk Manager as a nonvoting member, and three (3) representatives selected by the Superintendent. The Joint Committee shall select a chairperson from its membership. A quorum for the meetings shall require no fewer than seven (7) committee members. The Joint Committee will conduct a formal vote on any proposed changes in benefits. Passage of motions requires a supermajority vote of seventy-five percent (75%). Minutes shall be taken of the meetings.

The Joint Committee shall be empowered to determine health care benefits to be provided, which shall be formalized through a memorandum of agreement between the District and a designated representative of each affected employee group. "Health care benefits" shall include dates of eligibility for coverage, benefit schedules, deductibles, co-payment provisions, preferred provider programs, wellness programs, and other options designed to contain costs while enhancing benefit options. The District shall not be required to adopt changes made by this committee which would:

- a. Result in violations of established laws or regulations;
- b. Alter the administration or management of health care benefits;
- c. Result in a cost increase to the Plan of more than five percent (5%);  
or
- d. Be detrimental to the financial interests of the District, as determined by the Superintendent.

The District agrees to work with the Joint Committee to provide reasonable time for meetings and provide adequate support, including an expert health care consultant for plan design. Administrative leave will be provided for all participants.

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