

Act 11 Management Contract Language Proposal

April 1, 2019 as Revised up to July 25, 2019

Article I. Recognition:

Sec. 101: In accordance with 16 V.S.A. Chapter 61 (Sec. H.11 of Act 11 of the 2018 Special Session of the Vermont General Assembly) (hereafter Act 11) , the five (5) representatives of participating employees on the Commission on Public School Employee Health benefits (Employee Commissioners) are recognized as the exclusive bargaining representative of eligible employees for all aspects of representation within the jurisdiction created by said Act 11 . The five publicly elected school board member Commissioners appointed by the Vermont State School Boards' Association (Employer Commissioners) are recognized as representing the interests of the employing and governing school districts and supervisory unions throughout the State of Vermont.

Article II. Definitions:

Sec. 201: The following definitions shall be applicable to this Agreement:

(a) Licensed Teachers: Employees of Vermont school districts and supervisory districts providing employment services requiring a professional teaching license from the Vt. Agency of Education.

(b) Licensed Administrators: Employees of Vermont school districts and supervisory districts (District Employees) providing employment services requiring a professional administrator's license from the Vt. Agency of Education.

© Support Staff: (full-time/year-round support staff, full-time/school year support staff, full-time/extended school year support staff) in all other categories of employment including, without limitation, categories such as athletic director, payroll manager, bus drivers, food services, business office employees, human resources staff, IT employees, but excluding contracted extra/co-curricular employees and independent contractors.)

Article III. Plan Offerings:

Sec. 301: All participating employees who are eligible for coverage will be able to select one of the four plans offered by VEHI: Platinum, Gold, CDHP Gold or CDHP Silver.

Article IV. Duration:

Sec. 401: This Agreement shall be in force for two (2) years commencing January 1, 2021 and expiring as of midnight, December 31, 2022 unless extended by mutual agreement of the Parties.

Article V. Eligible/Participating Employees: Consistent with the policies and applicable regulations of the Vermont Educational Health Initiative (VEHI) and the policies and applicable regulations of participating insurance carriers in order for eligible employees and their eligible dependents to participate in receiving health insurance benefits under this Agreement, the following must apply:

Sec. 501: Licensed teachers and Administrators who are determined by their employer as employed to work a minimum of thirty (30) hours per week on a school year or extended school year basis, or employed to work at least twenty hours per week on a full calendar year basis, will be eligible to secure health insurance benefits through their district according to the terms of this Agreement. Those teachers and administrators who are employed to work less than full-time (full-time being defined for purposes of this Agreement as not less than 37.5 hours per week), but at least for the minimum hours just above specified will be eligible to secure health insurance benefits on a pro-rata basis. For example, an eligible eighty (80%) percent part-time teacher or administrator will receive 80% of the contribution the District would be obligated to make to a full-time teacher or administrator, and such teacher or administrator shall be required to pay any remainder of the applicable premium.

Sec. 502: Support staff who are determined by their Employer as employed to work a minimum of thirty (30) hours per week on a school year or extended school year basis or for a minimum of twenty (20) hours per week if employed on a calendar year basis will be eligible to secure health insurance benefits through their district according to the terms of this Agreement. Those support staff employees who are employed to work less than 37.5 hours per week but at least thirty (30) hours per week if employed on a school year or extended school year basis or for at least twenty (20) hours per week if employed on a calendar year basis will be eligible to secure health insurance benefits on a pro-rata basis. For example, an eligible eighty (80%) percent part-time support employee will receive 80% of the contribution the district would make to a full-time support staff employee, and the employee shall be required to pay any remainder of the premium.

Article VI. Premium Sharing by The District and Eligible Employees:

Sec. 601: Premium sharing between the Districts and eligible employees shall be as follows:

Base Plan: The dollar amount of the premium sharing contribution by the districts shall in all instances and with all employees be tied to the premium cost of the **VEHI CDHP Gold plan**. Employees may apply the dollars generated from that calculation to the VEHI Platinum, Gold or Gold CDHP plans, but the employee will be required to contribute the difference between the district's contribution and the premium cost if the employee selects the Platinum or Gold plan. If the employer selects the Silver CDHP, the employer will contribute the same percentage of the premium as it does to the Gold CDHP.

Article VII. Employer/Employee Premium Sharing:

Sec. 701:

(a) **Licensed Teachers and Administrators for Calendar Year 2021:** Subject to other provisions of this Agreement as to the base plan minimum eligibility and proration, for such employees who fully qualify as full time for health insurance benefit coverage, their district will contribute eighty (80%) percent toward the cost of premium of the benefit tier selected by such employee, and the employee will contribute twenty (20%) percent toward the cost of premiums for the benefit tier selected by the employee.

(b) **Licensed Teachers and Administrators for Calendar Year 2022:** Subject to other provisions of this Agreement as to the base plan eligibility and proration, for such employees who fully qualify as full time for health insurance benefit coverage, their district will contribute seventy eight (78%) percent toward the cost of premium of the benefit tier selected by the employee, and the employee will contribute twenty-two (22%) percent toward the cost of premium for the benefit tier selected by the employee.

© **Support Staff Employees for Calendar Year 2021:** Notwithstanding the other provisions of this Agreement relating to the base plan eligibility and proration, the status quo as of December 31, 2020 shall remain in effect for support staff employees with regard to their threshold for eligibility, their tier eligibility standards and their premium share and out of pocket (OOP) obligations for calendar year 2021.

(d) **Support Staff Employees for Calendar Year 2022:** The same standards as apply during calendar year 2021 shall be applicable except that: (1) a thirty (30) hour per week eligibility threshold standard for school year, part-time and seasonal employees, and a twenty (20) hour per week eligibility threshold standard for full time employees will take effect as of January 1, 2022; (2) the employee premium share shall increase by two (2%) unless a lesser increase will result in

such employee making a twenty (20%) premium contribution, in which case it will be such lower percentage increase, and (3), as of the last day of this Agreement, namely December 31, 2021, all covered full time support staff employees shall be obligated to make a premium contribution equal to twenty (20%) percent, with a higher prorated premium requirement required for school year, part-time and seasonal employees who meet the eligibility threshold.

Article VIII. Reserved

Article IX. Tier Access for Eligible District Employees:

Sec. 901: Tier access for eligible District Employees shall be as follows:

(a) **Teachers and Administrators:** Such participating employees shall be allowed to select one the following benefit tiers: Single, Two-adult persons, Parent and Child(ren), or Family coverage.

(b) **Support Staff:** Tier eligibility for the duration of this Agreement shall be based upon the separate standards of the separate employers in place as of December 31, 2020.

Article X. Employees Under Part-time Contract in Two or More Districts/Supervisory Unions:

Sec. 1001: Cost Sharing: District employees who have part-time contracts with multiple school district employers, but who meet the minimum eligibility standards hereof on the basis of all such contracted for work, shall be eligible for health insurance coverage according to this Agreement as follows: Each district will bear a proportional premium, OOP and administrative fees sharing responsibility equal to the part time percentage of the employee's contract. For example, if district "A" has a 60% employment contract/relationship with the school employee, District "A" will be responsible for 60% of the total district costs sharing responsibility set forth herein.

Sec. 1002: Plan Administration For Multiple District Employee: In those instances where the eligible Employee is employed by multiple districts, administration of the employee's health insurance benefits will be the primary responsibility of the district with the largest contractual relationship. In the event two or more districts have identical contractual relationships with the employee, the district that first employed the employee will have responsibility of administering the employee's insurance benefits.

Sec. 1003: Jurisdiction: The Commission shall have exclusive jurisdiction over eligibility standards, premium sharing and OOP obligations for Vermont Pre K-12 public educational system employees. It shall decide such coverage and other questions within its jurisdiction by majority vote. If a majority vote cannot be achieved, such standards will be established through the impasse procedures set forth in said

Act 11. The Commission shall also have the requisite jurisdiction to enforce the provisions of this Agreement against any violations thereof that it observes in any Vermont public school system.

Article XI. One-Year Contracts For Licensed Teachers and Administrators:

Sec. 1101. All terms and conditions of this Agreement shall apply to eligible district Employees, as defined herein who are employed by a district for a limited duration contract lasting not less than one (1) full school year.

Article XII. Health Savings Accounts (H.S.A.'s) and Health Reimbursement Arrangements (H.R.A.'s):

Sec. 1201. H.S.A.'s: During the first year of this Agreement, the Gold and Silver CDHP Plans shall be paired with an H.S.A. For those employees electing the Gold or Silver CDHP Plans who are restricted from an H.S.A. due to being enrolled in Medicare, Medicaid, Tricare or active VA benefits, a mirror H.R.A. plan will be created to accommodate the Federal rules restricting the employee from making pre-tax deposits into an H.S.A. For the Gold CDHP Plan, Employers will contribute \$1250 toward the H.S.A. for a single coverage employee and \$2500 towards the H.S.A. of those electing two person and family coverage. For the Silver CDHP Plan, the employer contribution shall be the same \$1250 and \$2500 H.S.A. contribution. In the first year of this Agreement 100% of the Employer's H.S.A. contribution will be made during the month of January, 2021. For the second year of the Agreement, one-half of the Employer's H.S.A. contribution will be made during the month of January, 2022 and one-half shall be made during the month of September, 2022.

Sec. 102. H.R.A.'s: During the first year of this Agreement, the Gold and Platinum Plans shall be paired with an H.R.A. For those selecting the Gold Plan, employers will contribute \$1000 towards the single coverage employee's H.R.A. and \$2000 toward the two person, parent-child and family H.R.A. For those selecting the Platinum Plan, employers will contribute \$700 towards a single coverage employee's H.R.A. and \$1400 towards the two-person, parent-child and family H.R.A. It is acknowledged by the parties hereto that the employers' H.R.A. contributions may not cover all of the expenses deemed eligible under the U.S. Affordable Care Act Sec. 231 (d), but only co-payments, deductibles and/or co-insurance of the VEHI Health Plan.

Sec. 1203. Second Year: In the second year of this Agreement, participating districts shall contribute an amount into the employee's H.S.A. that is five (5%) percent less than for the first year of this

Agreement, and such a five (5%) reduction per each subsequent year shall be considered to be the status quo as a successor agreement is being negotiated.

Sec. 1204: New Hires: If an eligible employee becomes a covered employee on or after January 1 of any year, the employing district's H.S.A. and H.R.A. obligations hereunder shall be pro-rated appropriately.

Sec. 1205: Transfers Between Educational Employers: If an eligible employee transfers between two employers bound by this Agreement during the course of any one calendar year the employee's coverage under the plan shall remain unchanged. However, the employer obligations under this Agreement shall be appropriately pro-rated between the two employers and the new employer shall take on applicable administrative responsibilities.

Sec. 1206. Additional Employee Contributions to Personal HSAs: Subject to IRS regulations, nothing in this Agreement shall prevent individual employees from making additional contributions to their personal HSA.

Sec. 1207. H.S.A. Third Party Administrator and Administrative Fees (TPA): The Commission will give input to VEHI as to the criteria for selecting the vendor(s) who will provide TPA services to district Employees that should include auto-pay and debit card availability. Employers will make all administrative decisions related to the delivery of those services. Employers will administer the payment of the fees related to those services unless such fees are embedded in the VEHI premiums.

Sec. 1208. Cash-in-Lieu of Benefits Payments: Cash-in-Lieu payments by districts to eligible employees who choose not to secure health insurance coverage through the plan established by this Agreement is expressly prohibited.

Sec. 1209. Duration of Insurance Availability: The health insurance offered under this Agreement shall be co-terminus with a covered employee's status as an eligible educational employee, and will terminate when such status terminates. Nothing herein, however, is intended to affect a former employee's rights under COBRA or to adversely affect a district or the applicable bargaining unit from negotiating continuing responsibility for COBRA payments in connection with any separation from employment.

Article XIII. Grievance Procedure:

Sec. 1301 Definition: Any claim by either 1) the Employee Commissioners, 2) a covered employee that is endorsed and supported by the Employee Commissioners after being satisfied that the covered employee has first attempted to resolve the matter with their business office, VEHI, the TPA or BCBSVT as appropriate or 3) the Employer Commissioner that there has been a mis-application or misinterpretation of the provisions of this Agreement shall be regarded as a grievance hereunder.

Sec. 1302 initial Filing: The initial filing of any grievance pursuant to this Article must be made within thirty (30) work-days of the date the eligible party hereunder filing the grievance knew or reasonably should have known of the existence of the facts giving rise to the grievance.

Sec. 1303. Step One: The initial filing shall be with the designated Chairs of the Employer and the Employee Commissioners. The Commission shall then meet (either in person or by conference call) to discuss the grievance and shall either agree to uphold the same or shall deny the grievance within twenty (20) work days from the date of its initial filing.

Sec. 1304. Step Two: If the grievance is not successfully resolved at Step 1, it may be appealed to final and binding arbitration under Step two hereof by a majority vote of either the Employee or Employer Commissioners or by the Commission within ten (10) workdays of the date of the Step One denial.

Sec. 1305. STEP Three: Upon referral of a grievance to Final and Binding Arbitration, the Employer and Employee Commissioners shall endeavor to choose an arbitrator by mutual agreement. If this effort is unsuccessful, the arbitrator shall be selected and the hearing held in accordance with the Labor Arbitration Rules of the American Arbitration Association. The Arbitrator's award shall be final and binding with the exception of appeals authorized by Vermont's Arbitration Act. The Parties' signature to this Agreement shall also signify their Acknowledgement of Arbitration as required by law. The cost of arbitration, other than attorneys' fees which will be paid separately unless there is an agreement to jointly hire an attorney or other expert, will be equally split between the Parties.

Article XIV. Successor Agreement:

Sec. 1401: The parties agree to meet and negotiate for a successor agreement to this Agreement not later than April 1, 2022 and to follow the mandates of said Act 11 then applicable.

Add Boiler-Plate provisions on controlling Vt. law; standard zipper clause; equal participation in negotiating so Agreement not interpreted against either party; declared invalidity of one section not invalidating the entire Agreement; binding on successors and assigns: use of one gender infers both;