

### California School Employees Association

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Member of the AFL-CIO

The nation's largest independent classified employee association

AEU

May 28, 2024

### **Sent Via Electronic Mail**

rcorn@fcusd.org

Robert Corn Chapter President #528

RE: Memorandum of Understanding (MOU) – MOU New Medical Benefit Existing Employees 2023-2024

Dear President Corn:

I have received the Memorandum of Understanding (MOU) regarding MOU New Medical Benefit Existing Employees 2023-2024 between the Folsom-Cordova Unified School District and California School Employees Association and its American River Chapter #528.

It has been reviewed in accordance with Policy 610. I have found no apparent violation of law, CSEA's Constitution and Bylaws, or Policy.

Ratification for this MOU **is** required. Please provide your Labor Relations Representative Joel Rogers with the ratification date so that we may update our records.

Please ensure your chapter complies with the Ratification Meeting requirements as identified in your chapter constitution and Policy 610 Ratification Notice.

I would like to take this opportunity to acknowledge the time and effort spent by you and the Negotiating Committee in negotiations. Your involvement and dedications are truly appreciated.

Please feel free to contact my office if you have any questions or concerns.

Sincerely,

CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION

Mauricio Vides Field Director

Cc: Tiffany Nelson-Pelkey, Regional Representative #72 Ron Walker, Area A Director Joel Rogers, Labor Relations Representative Chapter #528 Contract File

### **MEMORANDUM OF UNDERSTANDING #25**

# between FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT and

## THE CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION AND ITS AMERICAN RIVER CHAPTER No. 528 (CSEA)

Nonstop Wellness: New Medical Benefit Plans for 2025 <u>for Existing Employees in 2023-2024</u> May 15, 2024

This Memorandum of Understanding ("MOU") is agreed to between the Folsom Cordova Unified School District ("District") and the California School Employees Association, and its American River Chapter No. 528 (CSEA). Collectively, the District and CSEA will be referred to as "the Parties."

For the 2024 Health Benefits Open Enrollment, the Folsom Cordova Unified School District Benefits Committee has recommended changes to the medical plans offered due to unprecedented premium increases.

The parties have met, negotiated, and agreed to the following:

A new plan with each of the three (3) carriers (Kaiser, Sutter Health, and Western Health) will be created through Nonstop Wellness. The Nonstop Wellness plans will offer premium savings to Copay plan enrollees with similar level of coverage. For High Deductible Health Plan (HDHP) enrollees, this change will increase the premiums but eliminate deductibles and out-of-pocket costs (the exception is Kaiser).

The following plan will be in place for the 2024-2025 school year until a cap can be negotiated for the 2025-2026 school year.

Eligible Employees will receive payments to offset premium increases for HDHP enrollees and provide overall cost relief to new and Copay enrollees.

- 1. An Eligible Employee is someone who is enrolled in an HDHP that is in effect as of June 1, 2024. If an employee was to change to a different plan with one of the three (3) carriers (Kaiser, Sutter Health, or Western Health) or move from single to family, no additional adjustment to the payment will occur as payments are based on plan enrollment in the medical plan that is in effect as of June 1, 2024.
- 2. Eligible Employees will qualify for a one-time payment equal to the cost increase of the Nonstop premium. The amount of the payment is based upon plan enrollment level that is in effect as of June 1, 2024 (see table 1).

The one-time payment will be paid in three (3) equal installments.

One-Time Medical Payment - Table 1						
Coverage Type	Annual Payment	September installment	November Installment	January Installment		
KP HDHP High Single	\$2,315	\$771.67	\$771.67	\$771.66		
KP HDHP High Family	\$6,019	\$2,006.33	\$2,006.33	\$2,006.34		
KP HDHP Low Single	\$3,012	\$1,004.00	\$1,004.00	\$1,004.00		
KP HDHP Low Family	\$7,622	\$2,540.67	\$2,540.67	\$2,540.66		
SHP HDHP High Single	\$996	\$332.00	\$332.00	\$332.00		
SHP HDHP High Family	\$2,592	\$864.00	\$864.00	\$864.00		
SHP HDHP Low Single	\$1,572	\$524.00	\$524.00	\$524.00		
SHP HDHP Low Family	\$3,936	\$1,312.00	\$1,312.00	\$1,312.00		
WHA HDHP Single	\$753	\$251.00	\$251.00	\$251.00		
WHA HDHP Family	\$2,410	\$803.33	\$803.33	\$803.34		

- 3. Current employees enrolled in a Copay medical plan with each of the three (3) carriers (Kaiser, Sutter Health, and Western Health) that is in effect as of June 1, 2024, will qualify for an All Copays/Current Employee newly enrolled Single or All Copays/Current Employee newly enrolled Employee Family one-time payment depending on the plan enrollment type (single/family). See table 2.
- 4. Current Employees that newly enroll in medical coverage for 2024-2025 will qualify for an All Copays/Current Employee newly enrolled Single or All Copays/Current Employee newly enrolled Employee Family one-time payment depending on the plan enrollment type (single/family). See table 2.
- 5. The one-time payment will not be prorated based upon FTE. Applies to tables 1 and 2.

One-Time Medical Payment - Table 2					
Coverage Type	Annual Payment	September Installment	November Installment	February Installment	
All Copays/Current Employee newly enrolled Single	\$600	\$200	\$200	\$200	
All Copays/Current Employee newly enrolled Employee Family	\$1,200	\$400	\$400	\$400	

### Qualification and Implementation

This one-time payment will be split into three (3) equal installments. To qualify for an installment, the employee must be actively enrolled in a medical plan based upon the timeline below. If an employee is not actively enrolled during one of the required dates, they will not receive the installment for that period. Each installment is subject to all state and federal taxes and applicable retirement deductions, to be included with end of month pay.

Date Employee Must Be Actively Enrolled in a Medical Plan	Date of Installment
September 13, 2024	September 30, 2024 - 1/3 of Annual Total Payment
November 13, 2024	November 29, 2024 - 1/3 of Annual Total Payment
February 13, 2025	February 28, 2025 - 1/3 of Annual Total Payment

### **Costs/Funding Sources and Additional Information**

Cost is estimated at \$2,325,754 (for both MOU's). The amount is based on employee medical enrollment as of March 2024. The actual cost will be based on plan enrollment that is in effect as of June 1, 2024. Funding for this would be paid from the Art, Music, Instructional Material Block Grant (Resource 6762). This is an allowable cost of the grant within item #4, operational costs, including retirement and health care cost increases.

The District will be creating a Medical Expense Reimbursement Plan (MERP). This MERP will be in a fiduciary account with Nonstop under the name of the District. The District agrees, if funds are withdrawn from the MERP for any reason other than the reimbursement of employee medical expenses, the funds will be used for the purpose of current employee medical benefits. Any withdrawal from this account is received at only 2/3 of the balance per the agreement with Nonstop, or the entire balance can be rolled over annually at no cost. CSEA will be notified if the MERP is used for other purposes or upon termination of the contract with Nonstop.

This shall fully and finally resolve all bargaining for Benefits, through the 2024-2025 school year. Negotiations for benefits and compensation for the 2025-2026 will remain open. This MOU shall be in effect July 1, 2024.

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For CSEA, Chapter 528	Date	
For Folsom Cordova Unified School District	My 22,224 Date 9	
SEA Labor Relations Representative	Date STATIONS	
CSEA Board Ratified:	FCUSD Board Approved:	
FCUSD CSEA 2023-2024 MOU #25 Nonstop Wel	lness: New Medical Benefits Plans	Page 3 of 3