

HEALTH AND WELFARE BENEFITS

The health and welfare benefits for the administrative, classified management, and confidential employee groups shall include the following programs:

1. Major Medical Health Insurance
2. Dental Insurance
3. Salary Continuation Insurance
4. Vision Insurance

Employees eligible for benefits shall constitute all full-time administrative, classified management, and confidential employees. Retired employees shall be eligible as group members as stated below.

The following procedures apply to employees who are not covered by a collective bargaining agreement or a specific employment contract.

Employees whose regular assignment is 2,080 hours/year shall receive full benefits twelve months per year. Employees whose regular assignment is less than 2,080 hours/year shall receive benefits twelve months per year, but the district shall contribute only that portion of premium costs as the employee's regular hours per year bear to 2,080 hour. Retired employees shall be eligible as group members at the retired employee's expense as restricted by board policy.

In addition, a life insurance policy shall be provided to administrative, management, and confidential employees as per the district policy of \$10,000 through age 64, \$6,500 age 65 through age 69, and \$5,000 age 70 and older.

1. Pre-65 Health and Welfare Retirement Benefits

All benefit provisions in this administrative procedure are available to eligible members with employment starting dates prior to September 1, 2006. All administrative, classified management, or confidential employees hired on or after September 1, 2006, will not be entitled to these benefit provisions.

Medical, dental, and vision insurance for retirees to age 65: Retirees from the district who qualify for service or disability retirement under the State Teachers Retirement System (STRS) or Public Employees Retirement System (PERS) and who are drawing retirement pay from either system shall be eligible to continue with the district's insurance plans provided the following requirements are met.

1.1 Procedures:

- 1.1.1 Employees wishing to avail themselves of the pre-65 retirement benefits shall, six months prior to the effective date of retirement, write a letter of request to the President/Superintendent. This letter shall outline the facts relative to having met the minimum requirements of the program.
- 1.1.2 The President/Superintendent, or designee if the employee is the President/Superintendent, shall validate the employee's claims regarding minimum qualifications within 10 days.
- 1.1.3 If the employee has been found qualified for participation in the pre-65 retirement program, the benefits shall commence on the first day of retirement.

1.2 Benefits:

- 1.2.1 The district will continue to provide medical, dental, and vision benefits to the retired employee and eligible dependents until the employee reaches the age of 65, at no cost to the employee.
- 1.2.2 The medical, dental, and vision benefits shall be consistent with those being received by current employees in the unit and their dependents including any expansion of benefits under the basic benefits program that is in existence at the time the employee retires.
- 1.2.3 If a new fringe benefit plan or program accrues to active employees, the retiree and eligible dependents shall not be eligible for the plan unless it is an expansion of a plan or program in effect at the time of retirement.
- 1.2.4 Dependents other than the spouse/domestic partner qualify for benefits only if the employee and/or spouse/domestic partner qualifies for benefits.
- 1.2.5 District payment for participation in this program for the employee and/or spouse/domestic partner shall be terminated at the time that the employee reaches 65 or, if the employee is deceased, at the age or date as set forth for the spouse/domestic partner in paragraph 3.2. Upon the district discontinuance of premium payments, the employee and/or spouse/domestic partner may elect to continue participation at his/her own expense as set forth in Post-65 Health and Welfare Retirement Benefits, provided there has been no break in coverage.
- 1.2.6 This plan, or equal coverage when this plan is combined with other coverage for which the employee is qualified, shall be effective until age 65. Such other coverage shall be, but is not limited to, Medicare A-B and coverage obtained or obtainable through other employment. If an option is available to an employee and/or spouse/domestic partner and the coverage is equal, the employee shall cooperate with the district to exercise the option provided that the option does provide equal coverage.

- 1.2.7 For purposes of this program, the immediate family covered by this plan means only biological children, legally adopted children, and spouse/domestic partner.
- 1.3 Minimum Requirements:
- 1.3.1 Must have been a full-time employee for the ten years immediately prior to such retirement.
 - 1.3.2 Must qualify for service or disability retirement under State Teachers Retirement System (STRS) or Public Employees Retirement System (PERS) and must be drawing retirement pay from either system immediately after retiring from the district.
 - 1.3.3 Sabbatical leave or teacher exchange will count as eligible time within the ten-year period if accepted and used within the first five years of the ten-year period.
 - 1.3.4 Leave without pay does not count toward part of the ten-year service requirement but does not constitute a break in the continuity of the ten-year requirement.
 - 1.3.5 Paid sick leave counts toward the satisfaction of the ten-year requirement.
 - 1.3.6 Extended sick leave (beyond the paid sick leave time) does not count toward a part of the ten-year service requirement but does not constitute a break in the continuity of the ten-year requirement.
 - 1.3.7 Employees eligible for disability retirement are eligible to participate in this plan on the same terms as other retirees.
 - 1.3.8 The employee must have attained the minimum age of 55 by the first day of retirement under this plan.
 - 1.3.9 Employee acceptance of this plan is irrevocable. Further, it is understood and agreed by the parties that this program is for the benefit of the employees in the unit who wish to retire from active employment with the district, and therefore the employee is responsible to ascertain the provisions and coverages of the various retirement plans without assistance from the district. It is also understood and agreed by the parties that the district shall have no responsibility other than as set forth herein, particularly with regard to ascertaining specifics of the various retirement plans available to employees in the unit who are retiring and wish to take advantage of this program.

2. Post-65 Health and Welfare Retirement Benefits

All benefit provisions in this administrative procedure are available to eligible members with employment starting dates prior to September 1, 2006. All administrative, classified management, or confidential employees hired on or after September 1, 2006, will not be entitled to these benefit provisions.

Medical, dental, and vision insurance for retirees post age 65 to age 70: The district will cover 70 percent of the cost of medical, dental, and vision insurance up to a maximum of \$13,500 total for each eligible retired employee during the five-year period from age 65 to age 70.

Eligible administrative, classified management, and confidential member may exercise the option to have the district provide a one-time payment equivalent to \$13,500 (gross) in lieu of insurance benefits. Currently eligible retirees who have not exhausted their \$13,500 limit may request to receive a one-time payment of the unpaid balance in lieu of continued insurance benefits.

2.1. Requirements:

- 2.1.1 The program begins with those employees retiring after October 6, 1996, and who qualify for service or disability retirement under the State Teachers Retirement System (STRS) or Public Employees Retirement System (PERS) and are drawing retirement pay from either system.
- 2.1.2 The retiree must have been a full-time employee for the ten years immediately preceding retirement.
- 2.1.3 Sabbatical leave or teacher exchange will count as eligible time within the ten-year period if accepted and used within the first five years of the ten-year period.
- 2.1.4 Leave without pay does not count toward part of the ten-year service requirement, but does not constitute a break in the continuity of the ten-year requirement.
- 2.1.5 Paid sick leave counts toward the satisfaction of the ten-year requirement.
- 2.1.6 Extended sick leave (beyond the paid sick leave time) does not count toward a part of the ten-year service requirement but does not constitute a break in the continuity of the ten-year requirement.
- 2.1.7 The health and welfare benefits shall be consistent with those being received at the time the employee retires.
- 2.1.8 If a new fringe benefit plan or program accrues to active employees, the retiree and eligible dependents shall not be eligible for the plan unless it is an expansion of a plan or program in effect at the time of retirement.
- 2.1.9 Dependents other than the spouse/domestic partner shall have no rights of their own for benefits under this program.
- 2.1.10 District payment for participation in this program for the employee and/or spouse/domestic partner shall be terminated at the time that the employee reaches 70 or, if the employee is deceased, at the date the employee would have reached 70, up to the \$13,500 maximum. Upon the district discontinuance of premium payments, the employee and/or spouse/domestic partner may elect to continue participation at their own expense provided there has been no break in coverage.

- 2.1.11 This plan, or equal coverage when this plan is combined with other coverage for which the employee is qualified, shall be effective until age 70. Such other coverage shall be, but is not limited to, Medicare A-B and coverage obtained or obtainable through other employment. If an option is available to an employee and/or spouse/domestic partner and the coverage is equal, the employee shall cooperate with the district to exercise the option provided that the option does provide equal coverage.

3. Medical Benefits for Surviving Spouse/Domestic Partner

All benefit provisions in this administrative procedure are available to eligible members with employment starting dates prior to September 1, 2006. All administrative, classified management, or confidential employees hired on or after September 1, 2006, will not be entitled to these benefit provisions.

- 3.1 Pre-retirement Benefits for Surviving Spouse/Domestic Partner: The district will provide the following benefit for the surviving spouse/domestic partner of full-time employees of the district.

The district will continue, at the district cost, to provide medical benefits to the surviving spouse/domestic partner and dependent children, not to exceed five years, after which period the surviving spouse/domestic may remain in the district program at his/her own cost, in accordance with the following limitations:

3.1.1 Limitations:

- 3.1.1.1 The medical benefit shall be consistent with those being received by current employees and their dependents including any expansion of benefit under the basic benefit program that is in existence.
- 3.1.1.2 If a new fringe benefit plan or program accrues to active employees, the retiree and eligible dependents shall not be eligible for the plan unless it is an expansion of a plan or program in effect at the time of retirement.
- 3.1.1.3 This benefit would not be provided if comparable coverage were available to the surviving spouse/domestic partner or upon remarriage.
- 3.1.1.4 If Medicare or CHAMPIS is available to the surviving spouse/domestic partner, he/she may remain in our medical plan at his/her own cost.
- 3.1.1.5 The spouse/domestic partner and other dependents shall continue to receive these benefits until the spouse/domestic partner reaches the age of 65, but not longer than five years after the employee would have attained the age of 65.

- 3.1.1.6 Dependents other than the spouse/domestic partner shall have no rights of their own for benefits under this program but only as the spouse/domestic partner qualifies for such benefits.
 - 3.1.1.7 For purposes of this program, the dependents covered by this plan means only natural children and legally adopted children.
 - 3.1.2 Minimum Requirements:
 - 3.1.2.1 Must have been a full-time employee for the ten years immediately prior to death.
 - 3.1.2.2 Sabbatical leave or teacher exchange will count as eligible time within the ten-year period if accepted and used within the first five years of the ten-year period.
 - 3.1.2.3 Leave without pay does not count toward part of the ten-year service requirement but does not constitute a break in the continuity of the ten-year requirement.
 - 3.1.3.4 Paid sick leave counts toward the satisfaction of the ten-year requirement.
 - 3.1.3.5 Extended sick leave (beyond the paid sick leave time) does not count toward a part of the ten-year service requirement but does not constitute a break in the continuity of the ten-year requirement.
 - 3.2 Pre-65 Retirement Benefits for Surviving Spouse/Domestic Partner: If the retiree predeceases the spouse/domestic partner and other dependents as identified below, the spouse/domestic partner or other dependents shall continue to receive these benefits until the employee would have attained the age of 65.
 - 3.3 Post-65 Retirement Benefits for Surviving Spouse/Domestic Partner: If the retired employee predeceases the spouse/domestic partner, the spouse/domestic partner shall continue to receive these benefits until the time when the employee would have attained the age of 70 up to the \$13,500 maximum the employee would have received.

The surviving spouse/domestic partner may exercise the option to have the district provide a one-time payment equivalent to \$13,500 (gross) in lieu of insurance benefits. Currently eligible retirees who have not exhausted their \$13,500 limit may request to receive a one-time payment of the unpaid balance in lieu of continued insurance benefits.

Reference: Government Code Section 53200; Education Code 87040; Government Code 53200 et. seq.

Approved:

Former Board Policy #323: "Staff Insurance Program;" Adopted by Board of Trustees: 8/15/77

Amended: 10/7/85; effective 1/1/86; 4/5/99; 7/11/06

Former Administrative Regulation # 323.01: "Post-65 Health and Welfare Retirement Benefits;" 6/4/90

Amended: 10/7/96; 4/5/99; 7/11/06

Former Administrative Regulation #323.02: "Medical Benefits for surviving Spouse;" 5/4/81, (effective 4/1/81) Amended 11/1/87; 4/5/99; 7/11/06

Former Administrative Regulation #323.03: "Pre-65 Health and Welfare Retirement Benefits;" 3/3/80

Amended: 3/1/81; 8/5/85; 11/1/87; 6/4/90; 4/5/99; 7/11/06; 4/6/2009