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Statewide Healthcare Benefit for School Employees Arbitrator's Award Details

Commencement: Per Act 11, the provisions of the statewide benefit will be incorporated into all collective bargaining agreements that take effect July 1, 2020. Per the arbitrator's award, the status quo prevailing in the various districts with respect to health care will remain in effect between July 1, 2020 and December 31, 2020. **Implementation of the statewide benefit shall go into effect with the new health plan year on January 1, 2021.**

Expiration: The contract term expires on December 31, 2022.

The following provisions will go into effect on January 1, 2021:

Eligibility: Public school employees who work on average a minimum of 17.5 hours/week during the school or calendar year will be eligible to receive health insurance coverage from their school district employers. Employees who work less than full-time but a minimum of 17.5 hours/week during the school or calendar year shall be entitled to pro-rata health benefit contributions toward premiums. Employer contributions to OOP costs will be made in full and not pro-rated.

Full-Time Status: Full-time status for determining proration will be based on the FTE or hourly requirements per work classifications as stipulated in local collective bargaining agreements. For employees not in an existing bargaining unit, full-time status will be as codified in individual contracts and/or existing school policies.

Tiers of Coverage¹: All eligible employees shall be able to elect coverage for themselves, their spouses or other qualified dependents from any of the four tiers (single, two-person, parent/child, or family) and employers will be obligated to contribute the required premium share and OOP costs listed below for all tiers for all eligible employees.

¹ NEA communications materials indicate this benefit is implemented on July 1, 2020. This is inconsistent with the plain language of the arbitrator's award, which states, "implementation of the new statewide health benefits tak[e] effect from January 1, 2021 through December 31, 2022."

Premium Contributions:

- *Licensed Teachers and Administrators:* Effective January 1, 2021, employers will contribute 80% of the premium cost of the Gold CDHP and the Silver CDHP plans. For employees choosing the Platinum or Gold plan, employers will pay the equivalent of 80% of the Gold CDHP plan, while employees will pay the remainder. The 80/20 split will be in place for the remainder of the agreement.
- *Support Staff:* Effective January 1, 2021, no support staff shall pay more than 20% towards premium share. For those paying less than 20%, status quo on premium share until January 1, 2022. From January 1, 2022 to December 31, 2022 the amount support staff contribute to premium share will increase by 2%, not to exceed 20%.

Out-of-Pocket Expenses:

- *Licensed Teachers and Administrators:* Employers will contribute \$2,100 for a single tier and \$4,200 for all other tiers. This contribution will be first dollar, and can be provided through an HRA only if employees enroll in the Platinum, Gold, or Gold CDHP plan. Only those employees who enroll in the Silver CDHP plan may choose to have the contribution made to an HSA; same employer contribution amounts apply.
- *Support Staff:* Employers will contribute \$2,200 for a single tier and \$4,400 for all other tiers. This contribution will be first dollar, and will be provided through an HRA only if employees enroll in the Platinum, Gold, or Gold CDHP plan. Only those employees who enroll in the Silver CDHP plan may choose to have the contribution made to an HSA; same employer contribution amounts apply.

Third Party Administrator: Employers will pay all administrative expenses charged by a TPA. Autopayment to providers will be the default payment method unless requested otherwise by employees. TPA(s) shall be able to provide debit cards to facilitate payments when autopayment is not an option. Debit cards must be provided to employees prior to January 1st of each year of the agreement.

Questions from the Field

Covered Employees: Act 11 states that the first agreement may allow for differing benefits for licensed teachers and administrators and municipal school employees. 21 V.S.A. §1722 explicitly excludes supervisory, confidential, and certified employees from the definition of municipal school employee. We have received inquiries about which benefits should apply to individuals in school districts who play supervisory or administrative roles but who are not licensed administrators. These individuals include, but are not limited to: food service directors, certified therapists, HR directors, and business managers. The answer is that Act 11 is not clear how to treat these employees, and the legislature should be asked to clarify their status under this agreement. For budgeting purposes only, it may make sense to budget the more generous benefit in order to be conservative.

Incorporation into Local Bargaining Agreements: Confer with your labor attorney about the best manner to incorporate and reference the statewide benefit in your local collective bargaining agreements.