

Master Benefits Agreement

between

The Los Angeles Community College District

and

the Los Angeles College Faculty Guild, AFT Local 1521, the AFT College Staff Guild, Los Angeles, AFT Local 1521A,

the Los Angeles City and Counties School Employees Union, SEIU Local 99, the Los Angeles/Orange Counties Building and Construction Trades Council, The Los Angeles Community College District Administrators' Unit Represented by California Teamsters Public, Professional & Medical Employees Union Local 911

and the Supervisory Employees Union, SEIU Local 721

Regarding

**Hospital-Medical, Dental, Vision Group Coverage,
Group Life Insurance Coverage, and
the District's Employee Assistance Program/Wellness
Services**

The Los Angeles Community College District (the "District") and the exclusive representatives of the District's employees (the Los Angeles College Faculty Guild, AFT Local 1521; the AFT College Staff Guild, Los Angeles, AFT Local 1521A; the Los Angeles City and County School Employees Union, SEIU Local 99; the Los Angeles/Orange Counties Building and Construction Trades Council; The Los Angeles Community College District Administrators' Unit Represented by California Teamsters Public, Professional & Medical Employees Union Local 911, and the Supervisory Employees Union, SEIU Local 721 hereinafter collectively referred to as the District's "Exclusive Representatives") agree to the following provisions regarding the District's Health Benefits Program, group life insurance coverage and employee assistance program. This agreement is intended to replace all existing agreements between the parties on the subject of the District's Health Benefits Program as defined in this agreement, as well as the District's group life insurance coverage and employee assistance program/wellness services, and for that reason shall, notwithstanding anything to the contrary in any of the individual agreements between the District and its Exclusive Representatives, entirely supersede all previously negotiated agreements between the parties with respect to those subjects

I. Health and Related Benefits Program for Active Employees and their Dependents and Survivors

A. Health Benefits Program. The District's "Health Benefits Program" consists of group benefit plans recommended by the Joint Labor/Management Benefits Committee (JLMBC) and approved by the District's Board of Trustees (the "Board") under which eligible District employees (and their eligible dependents) receive hospital, medical, dental, and vision care coverage.

Effective beginning the 2010 plan year, as a result of JLMBC recommendation and bargaining among the parties, the hospital and medical coverage shall be administered by the California Public Employees' Retirement System (CalPERS) Health Care Program in accordance with the Public Employees Medical and Hospital Care Act (PEMHCA). The purpose of the Health Benefits Program is to provide quality health care to the District's employees, retirees, and their eligible dependents and survivors.

1. Eligibility. Each of the following employees and his or her dependents and survivors are eligible to receive benefits and enroll in plans under the Health Benefits Program once the District has verified the employee's, dependent's or survivor's eligibility under this Agreement:

- a. Every member of a classified bargaining unit who is employed at least half time as either a probationary or regular classified employee.
- b. Every faculty member who is employed at least half-time in one or more monthly rate assignments. "Limited term" academic appointments must have a duration of at least a semester.
- c. Every member of the administrators' bargaining unit who is employed at least half time.

2. Dependents. Dependents who are eligible to enroll in plans under the Health Benefits Programs include an eligible employee:

- a. **Spouse.** Marriage certificate and social security number of spouse must be on file
- b. **Qualified domestic partner as specified in Appendix I.**
- c. **Children (natural, adopted, foster, domestic partner children, or stepchildren) up to age 26 unmarried.** Coverage will terminate at the end of the month in which dependent turns age 26.
- d. **Economically Dependent Children.** Children up to age 26 (not otherwise eligible under subsection 2.c or 2.d, above) unmarried, who are economically dependent (as being claimed as dependents on the employee's federal income tax returns) upon the subscriber (eligible employee or retiree). The subscriber must have been granted legal or joint legal custody of the child; or the child resides with the subscriber (generally in the absence of natural or adoptive parents).
- e. **Disabled Children Over Age 26.** Children (not otherwise eligible under subsection 2.c or 2.d, above) unmarried, without regard to age, who are physically or mentally incapacitated (and therefore incapable of self-support), and who are being claimed as dependents on the employee's federal income tax returns. The mental or physical condition must have existed prior to age 26 and continuously since age 26.

¹For this section 'Active Employees' does not include less than half time (0.5) part-time temporary faculty and temporary adjunct faculty. They are covered in section II.

3. Survivors. Upon the death of an active employee, the District shall deem the employee to have resigned from District employment on the date of his or her death and to have begun receiving a retirement allowance whether or not the employee was in fact old enough to retire. If, based on that premise, the employee would have been eligible to continue his or her participation in the hospital and medical plans available to active employees under Section III below, Section III of this Agreement shall be applicable to the employee's survivors as if they were survivors of a retiree. For that purpose, references to survivors of retirees in Section III shall be deemed to refer to those individuals.

4. Enrollment. Verification of eligibility, and enrollment or re-enrollment in plans shall be administered as follows:

a. Initial Enrollment. Upon employment, each new employee who is eligible to enroll in plans under the Health Benefits Program shall receive complete information regarding the District's Health Benefits Program, and may enroll in hospital, medical, dental, and vision care plans. The employee's hire date will establish an event date by which the employee will need to enroll all eligible family members into an eligible health plan within 60 (sixty) days. (Enrollment in the Premium Only Plan described in Section II takes place during the designated time periods.)

If the District receives the employee's enrollment forms at any time during the calendar month, the District shall process the forms so as to make coverage effective on the first day of the following calendar month. If the District receives the employee's enrollment forms after the 60 (sixty) day eligibility timeframe, this will be considered a Late Enrollment. Under this situation, the employee will either have to wait a 90-day period or until the next CalPERS Open Enrollment period. The earliest effective date of enrollment will be the first of the month following the 90-day waiting period or the January 1 following the Open Enrollment period.

b. Re-enrollment Following a Break in Coverage. Following a break in coverage an eligible employee may re-enroll in hospital, medical, dental, and vision care plans. The employee can re-enroll at any time where the break in coverage was due to an error by the District or if there is a qualifying life event. If the District receives the employee's re-enrollment forms at any time during the calendar month, the District shall process the forms so as to make coverage effective on the first day of the following calendar month.

c. Open Enrollment. There shall be an open enrollment period each enrollment year during which eligible employees may change plans. The District shall announce the dates of such open enrollment period, and shall publish and web-post open enrollment materials fourteen or more days before the beginning of the open enrollment period. If an eligible employee requests a change of plan, he/she shall continue to be covered under his or her existing plan until January 1 of the following year when the new plan can become effective.

d. Changes in Enrollment Other Than During Open Enrollment. Once enrolled in a plan, employees are generally barred from changing their enrollment except during an open enrollment period. Nevertheless, changes may be made under the following circumstances:

i. Any employee who is enrolled in a closed panel plan and who changes his or her permanent residence to a location that is outside the service area of the plan may, by submitting a timely application to CalPERS, via the District, change his or her enrollment to a plan that provides service in the area of his or her new permanent residence without a break in coverage. To be timely, the application for a change in enrollment must be received by the District within sixty ninety (60) days after the employee established his or her new permanent residence.

ii. Any employee who is enrolled in a closed panel plan and who, during an approved study, retraining or sabbatical leave of absence of sixty (60) days or more, temporarily relocates to a location that is outside the service area of the plan may, by submitting a timely application to CalPERS, via the District, temporarily change his or her enrollment to a plan that provides service in the area in which he/she will be temporarily located. To be timely, the application for a temporary change in enrollment must be received by the date on which the employee's leave commences.

iii. Any employee whose enrollment in a plan is terminated at the request or option of the plan provider for any reason other than non-payment of premium may enroll in another plan without a break in coverage by submitting a timely application to CalPERS, via the District. To be timely, the application for a change in enrollment must be received by the District within sixty (60) days after the employee's enrollment was terminated. Qualified, covered individuals will not have their health plans terminated due to claims or increased utilization.

iv. Finally, any employee who has had a "qualified life event" as defined by Sections 125 and 129 of the Internal Revenue Code may change his or her eligible dependents by submitting a timely application to CalPERS, via the District. To be timely, the application for a permissible "qualified life event" change must be received by CalPERS via the District within thirty-one days of the qualifying event. Refer to CalPERS' "Health Enrollment Reason Codes" for specific qualifying events and effective dates for coverage. Contact the District Benefits Office for this information.

e. Mandatory Re-enrollment During Open Enrollment. Under normal circumstances CalPERS does not require mandatory re-enrollment each year in its health plans. They will notify current participating active employees of their options to change health plans or add/remove dependents during open enrollment. If the employee does not elect any changes, his or her hospital/medical coverage will continue with the same plan and dependents (pending eligibility). If the employee does not elect any changes to the dental, vision and life insurance benefits during open enrollment, coverage will continue with the same plans and dependents.

5. District Contribution Towards Premiums. Eligible employees shall be entitled to the District's contribution towards the premium costs of the plans in which they and their dependents are enrolled if:

a. the eligible employee was in paid status during the calendar month preceding the month during which benefit coverage is effective and received at least one-half of the pay he/she would have earned had he/she received pay for full-time work; or

b. the eligible employee, even though not in paid status, is on a formal illness leave of absence for a period of not more than eighteen months; or

c. a specific section of the collective bargaining agreement applicable to the employee (for example, a section specifying compensation during certain leaves) explicitly provides for his or her entitlement to the District's contribution.

For the purposes of Section 5.a, every eligible employee, other than a temporary monthly-rate faculty member, shall be deemed to be in paid status during any recess or intersession if he/she is scheduled to return to paid

status in his or her position at the end of the recess or intersession. A temporary monthly-rate faculty member shall be deemed to be in paid status during any recess or intersession if, before the beginning of the recess or intersession, he/she is assigned to a position at any district location that will render him or her eligible for benefits and is scheduled to return to paid status in that position at the end of the recess or intersession.

6. Payment of Premiums During Unpaid Leaves. Eligible employees who have been granted an unpaid leave of absence and **thus** are not entitled to the District's contribution towards the premium costs of the plans in which they and their dependents are enrolled **can** ~~may~~ continue to receive benefits under the Health Benefits Program by establishing a direct payment between the employee and the health plan provider for the period of the leave.

Should an employee fail to make a payment required by this section, coverage shall terminate at the end of the month for which the last payment was received.

Should the District terminate an employee's coverage in error, it shall reinstate the employee's coverage as soon as the error is discovered and, at the employee's option, either issue the employee a refund of the amount he/she paid for the months during which he/she did not receive coverage, or extend the employee's coverage for an equivalent period.

7. Continued Eligibility and Payment of Premiums Following Layoff or Furlough.

Notwithstanding anything in Sections I.A.1 and I.A.6 to the contrary, employees who have been furloughed (a furlough is a temporary lay-off for a specified period with a definite return date) shall remain eligible to receive benefits under the Health Benefits Program, and shall continue to be entitled to the District's contribution towards the premium costs of the plans in which they and their dependents are enrolled, during the period of their furlough.

When an employee is laid off (a layoff is a separation from regular service for lack of work or lack of funds, or because of a reduction in force) CalPERS' business rules stipulate termination of coverage for layoff beginning the next month after separation date. Employees who have been laid-off shall, upon applying and qualifying for COBRA (see section I.A.9 below), continue to be entitled to the District's contribution towards the COBRA premium costs of their plans, according to the following table:

Years of Service	Months of Continuation Following Layoff
1-5	2 months
6-10	4 months
11 or more	6 months

These rules for furlough and lay-off do not apply to employees who are in temporary or limited status.

8. Conditions of and Limitations on Eligibility and Coverage.

a. Dual Coverage. Employees and their dependents may not be enrolled in more than one CalPERS plan at any one time. For that reason, an employee may be enrolled in a plan in his or her own capacity as an employee, or as a dependent of another employee, but not simultaneously in one plan as an employee and in another plan as a dependent.

b. Split Enrollment. Children or other individuals who qualify as dependents may be enrolled in a plan only once as a dependent, not simultaneously in one plan as a dependent of one employee and in another plan as a dependent of another employee.

c. Every employee (or in the event of his or her incapacity, the employee's representative or agent) shall report any event or change of circumstance that has an effect on the administration of coverage under the Health Benefits Program. Such events or changes include, but are not limited to, change of address or telephone number, marriage, divorce, dependent's loss of eligibility, death of the employee, or death of a dependent.

9. COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985). Once an employee who has enrolled in a plan under the Health Benefits Program becomes qualified for COBRA benefits, the District shall ensure that he/she is given the opportunity to continue coverage under the Health Benefits Program pursuant to COBRA in the manner prescribed by federal law. (CalPERS does not administer payments to COBRA.)

10. If the internal responsibility for the administration of the Health Benefits Program is changed because responsibilities among the administrative units of the District are reorganized, notice of that change shall be given to the exclusive representatives within thirty days.

11. Health Care Legislation. In the event that new health care legislation is enacted and the District is required to implement a plan pursuant to such legislation, the District and the exclusive representatives shall consult in order to assess the effects of such legislation.

12. Pre-funding Retiree Health Benefits Costs. The District has established and will maintain a Trust with (CalPERS) to prefund retiree health benefit costs for all eligible full-time employees. The Trust is funded with annual contributions to the trust of 1.92% of the total full time salary expenditures in the District. Additionally, the District will direct an amount equivalent to all of the Federal Medicare Part D subsidy returned to the District each year into the trust fund. Funding from both of these sources commenced with fiscal year 2006-07. An annual Trust status report will be made to the JLMBC and to the District Budget Committee at their first meetings of the fiscal year.

Annual funding of the Trust from both these sources shall continue until/unless the parties agree otherwise due to changes in the healthcare landscape which make prefunding no longer necessary. Should that prove to be the case the 1.92% of the total full-time salary expenditures will be placed on the salary schedules of all full-time employees, effective the end of the payroll month that the decision is made to no longer fund the trust.

B. Group Life Insurance Program. The District's group term life insurance program shall be continued for the duration of this Agreement subject to modification based on the recommendations of the Joint Labor Management Benefits Committee and approval of the Board.

1. All active employees eligible for benefits under Section I.A.1 of this Agreement shall be eligible for group term life insurance benefits under the program.

2. The limits of coverage under the program shall be \$50,000, however, employees age 70 or above shall receive coverage equal to an amount equal to the greater of the minimum amount required by Federal Law or 50% of the amount in force immediately prior to his or her 70th birthday. This reduction shall take place on the premium date coincident with or immediately following his or her 70th birthday.

C. Employee Assistance Program/ Wellness Services. The District shall make available to all active employees (including those who are not eligible for benefits under Section I.A.1 of this Agreement) employee assistance and wellness services. The services shall help employees deal with problems that might adversely impact their work performance, health, and well-being and shall include assessment, short-term counseling, informational resources and referral services. Such services hold the same level of privacy/confidentiality as other medical services. Modification to the employee assistance and wellness services may be recommended by the Joint Labor Management Benefits Committee to the Board.

D. Tax Sheltered Retirement Plans. The District shall continue its voluntary salary reduction agreement program under which employees may contribute to tax sheltered retirement plans under Internal Revenue Code Sections 403(b) and 457. The process for selecting third-party administrators (TPAs) for these plans shall include the issuance of a formal request for proposals by the District, review of the responses by a task group consisting of representatives of the District and the exclusive representatives, and selection of TPAs based on the recommendation of the task group.

~~List of the 403b vendors and enrollment forms available through our District can be found at www.403bcompare.com or via a link on the District's web site.~~

E. Health Reimbursement Arrangements (HRAs). The District shall continue its HRAs under IRC Section 105 for eligible, benefited active employees and early retirees (under age 65). The District's contributions will be \$1500 for plan year 2018, \$1500 for plan year 2019, and \$1500 for plan year 2020. The current agreed upon HRA benefit will end with plan year 2020. The District and Joint Labor Caucus agree that the HRA will not be automatically renewed but will be subject to re-negotiation in subsequent contracts.

The process for selecting a TPA for these HRAs shall include the issuance of a formal request for proposals by the District, review of the responses by a task group consisting of representatives of the District and the Exclusive Representatives, and selection of a TPA based on the recommendation of the task group.

F. IRC 125 and 129 Plans (Flexible Spending Accounts). The District shall continue its voluntary Flexible Spending Account (FSA) plan covering medical and dependent care expenses under Internal Revenue Code Sections 125 and 129. The process for selecting a TPA for FSAs shall include the issuance of a formal request for proposals by the District, review of the responses by a task group consisting of representatives of the District and the exclusive representatives, and selection of a TPA based on the recommendation of the task group.

G. Ordering Rules for HRAs and Medical FSAs. Employees shall be informed at the time of enrollment that *amounts available under an HRA must be exhausted before reimbursements may be made from the medical FSA.*

II. Health Benefits Program for Part-time Temporary Adjunct Faculty² and Temporary Adjunct Faculty

The District shall provide eligible part-time temporary faculty and temporary adjunct faculty member's access to its hospital/medical, vision and dental group coverage plans as provided in this Section beginning in Plan Year 2006. Access to the District life insurance plan is not included. When an employee is eligible, he/she will have access via the District's Contribution and Premium Only Plan (see Section II. A. below).

A. District Contribution and Premium Only Plan

1. Eligibility. A part-time temporary faculty member or temporary adjunct faculty member is eligible to receive access to the CalPERS hospital/medical group coverage, except the District life insurance plan, under this section if he/she has been assigned and working as a part-time temporary faculty member or temporary adjunct faculty member in the District and meets the eligibility requirements below (including, by virtue of his or her participation in the POP, in subsection 'e'

² This refers to those part-time temporary faculty who are employed less than half time in one or more monthly rate assignments. Faculty serving in a 0.50 (or higher) FTE temporary monthly rate assignment as a limited or long-term substitute instructor are eligible for full benefits for the duration of that assignment and should refer to Section I of this Agreement regarding their eligibility requirements.

below, he/she is deemed to effectively be in a position lasting greater than six months as required by CalPERS' resolutions,

- AND-

he/she is a member of the CALSTRS DB or CB retirement plans or the CalPERS retirement plan or the PARS, but not Social Security). Dependent Eligibility is the same as indicated in Section I A 2.

Specific Eligibility Requirements for the POP

- a. Be assigned to a 0.33 (or higher) FTE temporary (limited or long-term substitute) or adjunct faculty load in the District to count towards eligibility for this plan.
- b. Open but inactive assignments - no work, no pay - do not constitute employment in this context.
- c. Have completed at least a 0.2 FTE part-time temporary faculty member or temporary adjunct faculty position in the District during three or more semesters out of the previous eight consecutive semesters.
- d. Participate in the District's "premium only plan" (POP) under the terms of Internal Revenue Code Section 125, so that the employee's contribution to the District sponsored hospital/medical, vision, and dental group plans will be deducted, pre-tax, from salary warrants. The amounts of the employee's contribution toward the premiums, for the hospital/medical plans, along with any possible premiums for vision, and dental group plans paid for by the employee, must not exceeds his or her net take home pay each month, otherwise the employee is not eligible to participate in or continue to participate in the POP plans.
- e. **District Contribution.** If criteria a-d above is met, the District will contribute as follows:

Medical. For plan years 2018⁵, 2019⁶ and 2017²⁰, the District's monthly contribution will be an amount equal to 50% % of the mathematical average of the single-party monthly premium of the five most utilized medical plans for the Los Angeles area offered by CalPERS excluding PERSCare PPO⁷, plus \$50 dollars per month in plan year 2018, \$60 dollars per month in plan year 2019, and \$70 dollars per month in plan year 2020. Beginning in plan year 2015⁷, the District's monthly contribution in the new plan years 2015⁸, 2016⁹ and 2017²⁰ shall not exceed 110% of the prior year. excluding the specified "plus" dollar amounts from above. The District's contribution may be used toward the total monthly

cost of the part-time temporary faculty member or temporary adjunct faculty member's individual, two-party or family medical premium only.

Vision. In addition to being eligible for the above medical benefits, a temporary adjunct faculty member who satisfies the criteria in II.A.1.a-d and, further, who is assigned to a 0.50 or higher FTE temporary adjunct faculty load in the District is eligible for a District contribution towards vision care benefits. The District will pay the full amount of the VSP single-party premium, for each eligible temporary adjunct faculty member. For plan years, 20185, 20196 and 20209, the District's contribution will be equal to the VSP single-party premium for the respective plan year, but shall not exceed 110% of the prior year's contribution. If the District's contribution does not fully pay for the required monthly premium, the balance shall be paid by the participating adjunct as condition of receiving the District's contribution towards the vision benefit.

Dental. In addition to being eligible for the above medical and vision benefits, a part-time temporary faculty member or temporary adjunct faculty member who satisfies the criteria in II.A.1. a-d and, further, who is assigned to a 0.50 or higher FTE temporary adjunct faculty load in the District is eligible for a District contribution towards dental benefits.

The District will pay 50% of the full amount of the dental single-party premium, for each eligible temporary adjunct faculty member. For plan years 20185, 20196 and 202019, the District's contribution will be 50% of the full amount of the dental single-party premium for the respective plan year but shall not exceed 110% of the prior year's contribution. If the District's contribution does not fully pay for the required monthly premium, the balance shall be paid by the participating adjunct faculty member as a condition of receiving the District's contribution towards the dental benefit.

f. Term and Conditions of Coverage. A part-time temporary faculty member or temporary adjunct faculty member who was eligible for coverage and who has prepaid the premium(s) via the POP for the entire spring and fall semesters of any plan year shall remain eligible for coverage during the time between the end of that spring semester and the beginning of the subsequent fall semester contingent upon verification of continued eligibility. The premium payments shall equate to twelve months' coverage and shall be deducted from ten monthly pay periods for each twelve-month coverage period.

g. Enrollment. Eligible employees may enroll at each 6-month cycle but an employee who becomes ineligible cannot reenroll until the start of the next annual cycle unless a qualifying event occurs which falls under the conditions set by the IRC 125 plan year rules. (See Plan Description Los Angeles Community College District Temporary Faculty Member Premium-Only Plan, Article II, section 4.3 and section II A.2 d below.) The District will conduct limited "open enrollment" periods in August and in January for adjuncts who become eligible for the POP.

h. For plan years 2018, 2019, and 2020 only, when an adjunct faculty member gains eligibility and buys into a POP plan, that years' medical premium district payment will be maintained for the remainder of that plan year regardless of any subsequent loss of eligibility. In the event that the adjunct faculty member has an insufficient salary warrant to cover the employee portion of the premium costs the employee shall pay the District the remaining premium amount including a 2% administrative fee to continue to participate in the POP plan. Failure

by the faculty member to pay any of the monthly premiums will result in loss of eligibility and coverage.

i h. If any provision herein regarding the POP conflicts with the Internal Revenue Code, the latter will prevail and the conflicting provision will be nullified.

2. Premiums

- a. To receive medical or vision plan coverage under this Agreement, an eligible part-time temporary faculty member or temporary adjunct faculty member must, in advance and in accordance with applicable District procedures, agree to participate in the POP for a period of a plan year, contingent upon verification of continued eligibility, and pay the balance of the premium, minus the District contribution (if any) as defined in section II.A.1.e of this article.
- b. To participate in the District's dental plans, the eligible part-time temporary faculty member or temporary adjunct faculty member will agree to participate in the POP and pay all of the premium(s). The participant agrees that premiums will be deducted, pre- tax, from his or her monthly salary warrants as described in Section II.A.1.e above.
- c. A part-time temporary faculty member or temporary adjunct faculty member's coverage (with a District contribution) shall cease immediately upon his or her failure to pay the balance of the required insurance premium(s) in accordance with District procedures. The faculty member's deductions for the required payments will be made for the last working day of each month preceding the month in which coverage will be effective.
- d. The District will conduct limited "open enrollment" periods in August and in January for part-time temporary faculty member or temporary adjuncts.

3. Extension of Coverage. Any extension of coverage, at the adjunct faculty member's own expense, subsequent to termination (non-retirement) of employment with the District, shall be in accordance with applicable state and/or federal law. COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985). Once an employee who has enrolled in a plan under the Health Benefits Program becomes qualified for COBRA benefits, the District shall ensure that he/she is given the opportunity to continue coverage under the Health Benefits Program pursuant to COBRA in the manner prescribed by federal law. (CalPERS does not administer payments to COBRA.

4. Colleges will make every effort to report information regarding adjunct faculty assignments to the District's Benefits Section by the deadline for enrollment. If an eligible adjunct is denied coverage in error, the District will cover its portion of the premium costs retroactive to the date of the adjunct's eligibility up to the start of the plan year.

A. Health Benefits for Part-time Temporary Faculty Retirees & Temporary Adjunct Faculty Retirees under CalPERS Health Care Plans. AB 528 Health Plans: Rights of retired certificated employees to enroll in health and dental plans offered to active certificated employees; Education Code Section: 7000 – 7008. The following guidelines sets forth the requirements of eligibility, enrollment, and limitations of the District "AB 528" health plans.

B. Eligible part-time temporary faculty retirees & temporary adjunct retirees and their eligible dependents and survivors, not otherwise eligible for District-paid retiree health benefit coverage,

shall have the right to participate in the CalPERS Health Care Program available to them as active part-time employees, subject to the terms and conditions of this Agreement and CalPERS resolutions. Nothing in this Agreement, however, shall be construed as conveying any vested right to any particular plan, plan design, or plan component. The terms of the CalPERS Health Care Program, as well as the plans available under the Program remain subject to alteration by action of CalPERS, the or the JLMBC any future agreement between the District and its Exclusive Representatives.

1. Eligibility Certificated retirees of the Los Angeles Community College District who have retired from any public employee retirement system may be covered.

- a. Retirees and their spouse, or the surviving spouse of a retiree, shall be eligible for participation. Children are not eligible for coverage. A new spouse, upon remarriage of a surviving spouse, is not eligible for this benefit.
- b. Retirees are eligible for participation in health and dental plans offered by the District.
- c. Retirees must enroll within 30 days of retirement from the District. Retirees who fail to enroll in the AB 528 plan upon retirement shall not be eligible to enroll at a later date, except as follows: Should a retiree have health coverage elsewhere, and subsequently lose that coverage, he/she may enroll in the AB 528 plan with 31 days of losing said coverage. The retiree must provide documentation to substantiate loss of coverage

2. Guidelines

- a. Upon retirement and notification of discontinuance of benefits, retiree may contact the Health Benefits Unit (HBU) and completes appropriate enrollment documents for health care, no later than 30 days after retirement.
- b. Retiree shall remit premium payments to the Accounting Department at least one month in advance. Payments shall be made monthly. Failure to pay premium by the due date shall result in immediate cancellation on the last day of the month for which coverage has been paid.
- c. Each year there shall be held an open enrollment period during which the retiree and/or surviving spouse may change health plans. Retirees shall be notified by mail of the open enrollment period and new plan rates by the HBU.
- d. Coverage will continue indefinitely as long as full premiums are paid.

3. LIMITATIONS

- a. Retirees may select both medical and dental coverage, or they may select medical coverage only. A retiree may not select dental coverage only.
- b. A retiree will not be allowed to reenroll in the AB 528 plan once coverage has been terminated. If a retiree has other coverage upon retirement and later loses that coverage, then he/she may enroll in AB 528 within 30 days of losing said other coverage.
- c. Children of a retiree are not eligible for coverage in the AB 528 plan. A new spouse, upon remarriage of a surviving spouse, is not eligible for coverage in the AB 528 plan.

4.2 A part-time faculty retiree who continues to be employed in active service for the District is eligible for the District health premium contribution detailed in II.A.1.e as long as he/she continues to meet the eligibility criteria for health benefits coverage as specified in II.A.1.a-d and is not eligible for District coverage under a different status. An eligible part-time faculty retiree is one who **has retired** ~~held a qualifying position under paid service immediately prior to retiring~~ from District service under the rules of the California State Teachers Retirement System (CalSTRS) DB or CB plans, the California Public Employees Retirement System (CalPERS), or the Public Agency Retirement System (PARS) and who is receiving a retirement allowance from that system and who will have rendered “paid service” to the District in a “qualifying position” for thirty-five or more years immediately preceding his or her retirement. For the purposes of this section, a “qualifying position” is any position that made the employee eligible to enroll in plans under this Section (II). A year of “paid service” is attained by having had any faculty assignment in the District for two (primary fall and spring) semesters.

III. Health Benefits for Retirees (retiring from a “qualifying position” §), their Dependents and Survivors

A. Hospital-Medical, Dental and Vision Benefits. Eligible retirees and their eligible dependents and survivors shall have the right to continue their participation in the Health Benefits plans available to active employees, subject to the terms and conditions of this Agreement. Nothing in this Agreement, however, shall be construed as conveying any vested right to any particular plan, plan design, or plan component. The terms of the District’s Health Benefits Program (CalPERS Health Care Program), as well as the plans available under the Program, remain subject to alteration by action of CalPERS, the Joint Labor/Management Benefits Committee or any future agreement between the District and its exclusive representatives.

B. Eligibility. A retiree who is eligible to continue his or her participation in the health benefits plans which are available to active employees is one who has retired from District service under the rules of the California Public Employees Retirement System (CalPERS) or the California State Teachers Retirement System (CalSTRS), who is receiving a retirement allowance from that system, and who:

1.—for employees whose most recent uninterrupted District employment began before February 11, 1992—has rendered continuous paid service to the District in a “qualifying position” for three or more years immediately preceding his or her retirement; and—for employees whose most recent uninterrupted District Employment began before July 1, 1998—has rendered continuous paid service to the District in a “qualifying position” for seven or more years immediately preceding his or her retirement; or

2.—for employees whose most recent uninterrupted District employment began on or after July 1, 1998—has rendered continuous paid service to the District in a “qualifying position” for ten or more years immediately preceding his or her retirement.

For the purposes of this section, a “qualifying position” is any position that made the employee eligible to enroll in plans under Section I above (See section III F for district contribution toward premiums.)

An individual shall be deemed to have “retired from District service” if the effective date of his or her retirement under CalPERS or CalSTRS is no later than 120 days after his or her

resignation from District employment. Retirees do not have to be enrolled in health benefits at the time of their retirement; they just need to have been eligible as indicated above.

Employees who have been assigned in a specially funded program (SFP) shall vest in the retiree benefits provided they meet the eligibility requirements in III.B.1. or 2 above.

In addition, no absence from the service of the District under any paid leave of absence, or any unpaid leave of absence, or layoff of thirty-nine (39) months or less, shall be deemed a break in the continuity of service required by this section. § See section III B.

C. Dependents and Survivors. To qualify as a dependent or survivor who is eligible to continue his or her participation in the hospital and medical plans available to active employees—

1. A dependent or survivor must be an eligible retiree's:

- a. Spouse. A spouse married anytime less one year before retirement only qualifies as a survivor to continue to receive health benefits if the retiree left a survivor's allowance under CalPERS or CalSTRS at the time of retirement.
- b. qualified domestic partner as specified in Appendix I, on the date of retirement from District service;
- c. child (natural, adopted, foster, domestic partner children, or stepchildren) up to age 26 (coverage will terminate at the end of the month in which dependent turns age 26); or
- d. a child up to age 26 (not otherwise eligible under subsection 1.c, above) who is *economically dependent upon* the retiree (as being claimed as dependents on the retiree's federal income tax returns) and for whom the retiree must have been granted legal or joint legal custody, or, in the absence of natural or adoptive parents, the child resides with the retiree; or
- e. a *disabled* child (not otherwise eligible under subsection 1.c or 1.d, above) without regard to age, who is physically or mentally incapacitated (and therefore incapable of self-support), and who is being claimed as a dependent on the retiree's federal income tax returns. The mental or physical condition must have existed prior to age 26 and continuously since age 26.

—and—

2. a dependent may not be enrolled in any plans other than those under which the retiree is covered.

D. Limitations on Survivor Eligibility. A survivor's eligibility to continue his or her participation in the Health Benefits Program depends on whether he/she is an annuitant under the employee's retirement system. The eligibility of a surviving child receiving a survivor's benefit continues until the end of the month in which he/she turns age 26.

E. Enrollment. Enrollment and re-enrollment in plans shall be administered as follows:

1. Initial Enrollment. Upon retirement, each new retiree who is eligible to enroll in plans under the Health Benefits Program shall receive uninterrupted coverage under the plan in which he/she was enrolled as an active employee, provided the employee submits all necessary applications and other required documentation in a timely fashion.

2. Open Enrollment. There shall be an open enrollment period each enrollment year during which eligible retirees may change plans. The CalPERS Health Care Program shall establish and announce the dates of such open enrollment period. If an eligible retiree requests a change of plan, he/she shall continue to be covered under his or her existing plan until coverage under the new plan can be instituted.

3. Changes in Enrollment Other Than During Open Enrollment. Once enrolled in a plan, retirees are generally barred from changing their enrollment except during an open enrollment period. Nevertheless, changes may be made under the following circumstances:

a. Any retiree who is enrolled in a closed panel plan and who changes his or her permanent residence to a location that is outside the service area of the plan may, by submitting a timely application to CalPERS via the District, change his or her enrollment to a plan that provides service in the area of his or her new permanent residence. To be timely, the application for a change in enrollment must be received by CalPERS via the District within ninety (90) days after the retiree established his or her new permanent residence.

b. Any retiree whose enrollment in a plan is terminated at the request or option of the plan provider for any reason other than non-payment of premium may enroll in another plan by submitting a timely application to the District. To be timely, the application for a change in enrollment must be received by CalPERS via the District within ninety (90) days after the retiree's enrollment was terminated.

4. Mandatory Re-enrollment During Open Enrollment. Upon recommendation of the JLMBC the District may designate any open enrollment period as a mandatory enrollment period during which every eligible retiree or survivor must re-enroll for himself or herself and for each of his or her eligible dependents. If a retiree or survivor fails to re-enroll during any such mandatory enrollment period, his or her enrollment in hospital, medical, dental, and vision care plans shall end at the beginning of the next plan year. In that event, a retiree or survivor (and his or her eligible dependents) may, if he/she remains eligible, re-enroll in plans. The retiree or survivor may re-enroll in plans at any time and the District shall verify his or her eligibility to CalPERS so that it can process the retiree's or survivor's re-enrollment forms as if they were initial enrollment forms—i.e. if CalPERS, via the District, receives the re-enrollment forms at any time during the calendar month, it shall process them so as to make coverage effective on the first day of the calendar month following receipt of the forms.

F. District Contribution Towards Premiums. The District shall contribute towards the premium costs of the plans in which an eligible retiree and his or her eligible dependents and survivors are enrolled as follows:

1. For retirees (and their eligible dependents and survivors) who became eligible under Section III.B.1, the District will pay 100% of the District's contribution towards premiums.

2. For retirees (and their eligible dependents and survivors) who became eligible under Section III.B.2, the District will contribute toward premiums for retirees in a “qualifying position” as follows:

% of District Contribution Toward Premium	Years of Service Rendered
50%	At least ten years but fewer than fifteen years.
75%	At least fifteen years but fewer than twenty years.
100%	At least twenty years.

G. Conditions of and Limitations on Eligibility and Coverage.

1. Active employees who become eligible retirees under this Agreement are entitled to uninterrupted coverage under the Health Benefits Program provided they submit all necessary applications and other required documentation in a timely fashion.
2. **Dual Coverage.** Retirees, their dependents, and survivors may not be enrolled in more than one CalPERS sponsored plan at any one time. For that reason, a retiree may be enrolled in a plan in his or her own capacity as a retiree, or as a dependent of another retiree, but not simultaneously in one plan as a retiree and in another plan as a dependent.
3. **Split Enrollment.** Children or other individuals who qualify as dependents may be enrolled in a plan only once as a dependent or survivor, not simultaneously in one plan as a dependent or survivor of one retiree and in another plan as a dependent or survivor of another retiree.
4. To the extent allowed by law, benefits provided under the District’s Health Benefits Program shall be secondary to the benefits provided to a retiree or his or her dependents or survivors under Medicare. Furthermore, as a condition of continued enrollment in any hospital or medical plan available under the Health Benefits Program, each retiree and every eligible dependent and survivor age 65 and older must (unless exempted from this requirement under Board Rule 101701.16C) apply for and obtain coverage under Part A (hospital benefits)—either paid or premium free—and Part B (medical benefits) of Medicare. It shall be the sole responsibility of the employee or survivor to provide the District with verification of enrollment in Medicare. The District shall acknowledge receipt of verification of Medicare enrollment upon a retiree’s request.
5. Every retiree (or in the event of his or her incapacity, the retiree’s representative or agent) shall report, by telephone, e-mail, or written correspondence, any event or change of circumstance that has an effect on the administration of coverage under the Health Benefits Program. Such events or changes include, but are not limited to, change of address or telephone number, marriage, divorce, dependent’s loss of eligibility, death of the retiree, or death of a dependent.

6. A retiree's or survivor's eligibility (and that of his or her dependents) under this Agreement shall terminate whenever the retiree or survivor accepts employment in a position covered by CalSTRS or CalPERS and becomes eligible for health benefits by virtue of that employment.

IV. Joint Labor/Management Benefits Committee

A. The District shall convene, and the exclusive representatives shall all participate in, a Joint Labor/Management Benefits Committee (JLMBC). The role of the Committee is to contain the costs of the District's Health Benefits Program while maintaining and, when feasible, improving the quality of the benefits available to employees.

B. The Committee shall be composed as follows:

District: one voting and one non-voting District Member appointed by the Chancellor (If one member is absent, the member present shall be the voting member);

Employees: six Employee Members, one appointed by each of the exclusive representatives (If the one member from any unit is absent, a substitute member from the unit who is present shall be the voting member);

Committee Chair: an additional voting faculty member who shall serve as chair, nominated by the president of the Los Angeles College Faculty Guild and confirmed by a simple majority of the regular voting members of the Committee. The chair shall work jointly with the management member or designee to develop the monthly JLMBC agenda. The agenda will be posted and made available to JLMBC members at least three days prior to each JLMBC meeting. The District shall grant the chair of the committee at least 0.2 FTE reassigned time to perform the duties of that assignment. The faculty chair may make an annual request to the District for an additional 0.2 FTE reassigned time to complete specified projects recommended by the JLMBC.

Additional Members. Although each exclusive representative will appoint one regular voting member on the Committee, the Committee shall adopt rules under which each exclusive representative may appoint additional non-voting members in proportion to the size of each unit.

C. The Committee shall have the authority to:

1. review the District's Health Benefits Program and effect any changes to the program it deems necessary to contain costs while maintaining the quality of the benefits available to employees (this includes, but is not limited to, the authority to recommend substitution of other plans for the District's existing health benefits plans, including reviewing and providing input on the management of the District's participation in the CalPERS Health Care Plans);
2. recommend the selection, replacement, and evaluation of benefits consultants when deemed necessary;
3. recommend the selection, replacement, and evaluation of benefit plan providers;
4. review and make recommendations regarding communications to faculty and staff regarding the health benefits program and their use of health care services under it;

5. review and make recommendations regarding benefit booklets, descriptive literature, and enrollment forms as necessary, beyond those provided by CalPERS;
6. study recurring enrollee concerns and complaints and make recommendations for their resolution;
7. anticipate in an annual review of the District's employee health benefits program, to include the CalPERS hospital/medical program, the dental and vision benefits, and EAP, wellness, HRA and FSA benefits;
8. review and make recommendations about the District's health benefits budget; and
9. if health care legislation that necessitates modification of the District's Health Benefits Program is enacted before the termination of this Agreement, assess the effects of such legislation and make recommendations to the District and the exclusive representatives about appropriate action to take.

D. Any action of the Committee must be approved by the affirmative vote of the voting District member and all but one of the voting Employee Members at a meeting of the Committee at which a quorum is present. A quorum shall consist of the voting District member and any four voting Employee Members.

E. Any changes proposed by the Committee in the benefit program, providers, and consultants shall be submitted to the Board of Trustees for its consideration.

F. The District shall provide the Committee with relevant financial data including, for example, data regarding money received from providers (as a refund, return of premium, or similar credit), and all expenditures the District considers to be part of the "overall cost to the District of maintaining the Health Benefits Program."

V. Managing the Health Benefits Program

By September 1 of each year the JLMBC shall report to the Board of Trustees on the committee's actions and activities to mitigate increases to the cost of the Health Benefits Program so that it continues to provide quality health care to the District's employees, retirees, and their eligible dependents at a reasonable and sustainable cost to the District.

~~VI. JLMBC Task Force~~

~~Upon ratification of the July 1, 2014 through June 30, 2017 Master Benefits Agreement, the parties agree to form a task force of the JLMBC. The purpose of the task force will be to:~~

- ~~1. explore the feasibility of initiating a wellness incentive program~~
- ~~2. examine more effective policies for a health benefits program for adjunct faculty~~
- ~~3. explore opt out options for employees with dual medical coverage~~

~~The task force will release its initial findings to the JLMBC no later than December 31, 2015.~~

VII. Term of Agreement

This agreement shall cover the period of July 1, 2017 through June 30 2019.