

ARTICLE 11: HEALTH AND WELFARE BENEFITS

- 11.1 Each Unit Member is provided with a District-funded health and welfare benefits program with an equivalent dollar value as afforded to all other employee groups. The District health and welfare benefits program is a cafeteria plan which requires the employee to enroll in a life insurance plan and a dental plan.

Effective July 1, 2022, each Unit Member will receive a life insurance plan benefit of \$75,000 (anything over \$50,000 is taxable to the Unit Member pursuant to internal Revenue Code, section 79).

- 11.2 Unit Members hired after January 1, 2002, are not afforded the option to waive health and welfare benefits coverage and take as salary the District's level of contribution toward these benefits. Unit Members hired prior to January 1, 2002, shall be "grandfathered in" to the current health and welfare benefits program with the continued ability to "opt-out" of health and welfare benefit coverage and take as salary the District's level of contribution toward these benefits.

11.3 Retiree Health and Welfare Benefits Program

The District provides the following health and welfare benefits to all qualified retired Unit Members who were hired prior to January 1, 2004, and have completed a minimum of ten (10) years of full-time satisfactory administrative service to the District and have reached the age of fifty-five (55) in the year of application.

11.3.1 A Unit Member who meets the longevity and age requirements shall, upon retirement, be granted a lifetime continuation of paid medical and dental insurance benefits, as annually provided in the District's health and welfare benefits program. (To qualify, the employee must be enrolled in a District health provider program at time of retirement). Participation in the District's health and dental plans shall be subject to the terms prescribed by the health and dental plans' insurance providers.

11.3.2 If the retiree qualifies for Medicare and chooses to assign the Medicare coverage to the retiree's District plan, the District shall reimburse the retiree for actual Medicare B costs to the extent the District realizes a premium cost savings on the individual's chosen plan.

11.3.3 If a retiree moves out of the service area of District health providers, the District shall reimburse up to one-hundred percent (100%) of the current average District cost for active members upon verification of medical costs paid by the member.

11.3.4 A retiree may elect to continue to include a spouse in the District's health plan, at the expense of the retiree, as long as the retiree is also participating in the District's health plan.

- 11.3.5 A surviving spouse who was participating in the District's health plan at the time of the retiree's death may continue to participate in the District's health plan at their own expense after the death of the retiree. The District will pay ninety (90) days or three (3) months of the premium.
- 11.4 For employees who do not qualify for benefits under section 11.3 above, who have completed a minimum of ten (10) years satisfactory service to the District, and have reached age fifty (50) in the year of application:
- 11.4.1 Prior to the time of retirement, the employee shall request in writing to the Director of Human Resources for a continuation of medical coverage. (To qualify, the employee must be enrolled in a District health provider program at time of retirement). The Human Resources Office shall verify that the requirements have been met and notify the Superintendent/President of the employee's eligibility.
- 11.4.2 District medical support in a District health provider program shall be for the employee only, and shall not exceed the District maximum health and welfare benefits' support program. Unit Members may elect to continue to include qualified dependents at the expense of the employee. Employees may participate in the plan until age sixty-five (65). Should the legal age for Medicare eligibility change, the District and SCCDAA agree to reopen Section 11.4.
- 11.4.3 Effective June 15, 2000, subject to carrier contract specifications and limitations, the retiree and their eligible dependent(s) may participate in the District's Dental Plan at the employee's own expense.
- 11.4.4 If the retiree moves out of the service area of District health providers, and qualifies under the continuation of medical coverage, the retiree (up to age 65) shall be reimbursed up to the current average District cost for active members, once the retiree provides the District with verification of alternate coverage costs.
- 11.4.5 If the retiree is not a continuing member of a District-approved medical insurance program, the retiree will be reimbursed up to an annual amount of five-hundred dollars (\$500) per year upon verification of actual medical coverage costs paid by the retiree, including but not limited to, Medicare for life.
- 11.4.6 If a retiree drops District coverage at any time, the coverage may not be reinstated at a later date.
- 11.4.7 The District shall provide for each full-time employee, beginning at age sixty-five (65) who qualifies for the continuation of medical insurance coverage, and who retires during the period of time covered by this Agreement, an amount of one-thousand two-hundred and fifty dollars (\$1,250) a year toward payment on any major medical coverage, including Medicare, health insurance supplement policy,

for the covered employee only, for life.