

**Memorandum of Understanding  
with  
CSEA, Chapter 2 Unit A and Unit B  
January 25, 2013**

Long Beach Unified School District and the California School Employees Association (CSEA), Chapter 2, Unit A and B enter into this Memorandum of Understanding (MOU) and agree to modify the terms of their respective current collective bargaining agreements as follows:

**Health Benefits Plan Modifications Effective March 1, 2013**

**A. District Annual Maximum Contribution**

1. The 2013 District annual maximum contribution toward individual unit member insurance premiums for District medical plans for eligible employees to include employee only, employee plus one and family coverage shall be based on the 2013 District PPO rates. The District dental and vision insurance shall not be subject to the District's annual maximum contribution.

Beginning the 2014 insurance year (January 1, 2014) and each year thereafter, the District shall increase the prior year's District annual maximum contribution toward individual unit member insurance premiums for District medical plans for eligible employees to include employee, employee plus one and family coverage by 3.5%. In the event the elected coverage in a District insurance program exceeds the above stated District maximum annual contribution, the cost difference shall be paid by the unit member through payroll deduction. The Health Benefits committee shall actively work to limit increases greater than 3.5%, through plan design modifications, vendor selection, wellness programs, and member education. In the event that the combination of the annual PPO rate increase and/or cost containment results in premiums below the District maximum annual contribution described above, that difference will mitigate future rate increases.

2. The lowest cost District HMO medical plan offered unit members in any given insurance year shall not be subject to the District annual maximum contribution described in Section A,1 above. In the event that the District anticipates that the premiums for the lowest cost District medical HMO plan may exceed the District annual maximum contribution as described in Section A,1 above in the succeeding year, negotiations will automatically be initiated to address the excess cost during the next round of negotiations.

3. All eligible unit members retiring from the District after August 31, 2013 shall receive the same District annual maximum contribution for District medical plans provided to active unit members. Eligible unit members who retire on or before August 31, 2013 shall not be subject to the District's annual maximum contribution as described in Section A,1 above.
4. The District shall apply any health benefit cost containment changes, including plan design changes, implemented for active employees to retirees.

**B. Changes in Health Plans**

The District agrees to offer employees medical health benefits that include at least one PPO and two HMO options. Specific providers, plans and plan designs shall be provided to employees annually prior to open enrollment.

Modifications to providers, plans, and plan designs shall be subject to recommendations by the Health Benefit Committee (HBC) and shall be subject to negotiations by the parties. Specific providers and plan designs will not be outlined in the Agreement although they will be subject to negotiations.

1. Changes to the Blue Shield HMO PLAN/CSEA:
  - A. Change the emergency room (ER) co-pay for the Blue Shield HMO from \$25 to \$100. The fee is waived if the person is admitted to the hospital.
2. Changes to the Kaiser HMO PLAN/CSEA:
  - A. Change the emergency room (ER) co-pay for the Kaiser plan from \$0 to \$100. The fee is waived if the person is admitted to the hospital.
  - B. Add a \$5.00 office visit co-pay to the Kaiser plan. Currently there is no co-pay.
3. Changes to the PPO PLAN/CSEA:
  - A. Change the RX co-pay for the PPO plan for CSEA Members. Currently CSEA members pay \$5 for generic and \$10 for Formulary, \$35 for Non-Formulary. CSEA PPO plan members will pay \$0 for generic, \$20 for Formulary and \$50 for Non-Formulary prescriptions. The co-pay is for a thirty (30) day retail RX or ninety (90) day mail order RX.

**C. CSEA/LBUSD Health Benefits Committee**

The parties agree that it is of mutual interest to maintain affordable quality employee health care and address inflationary costs associated with health and welfare benefits. The specific duties of the Health Benefits Committee shall include:

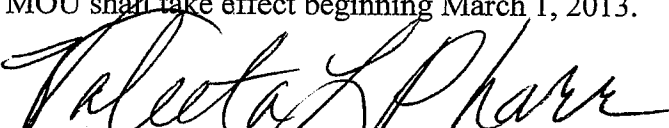
- a. Actively considering health and welfare benefit cost containment measures relating to District PPO, HMO, vision and dental insurance plans

for recommendation to the parties. This includes, but is not limited to, co-payments and plan design modifications, active rate bidding by health care vendors/providers, alternative plans. It is the intent that the Health Benefits Committee shall use every reasonable effort to maintain the premiums for the lowest cost District HMO medical plan below the District annual maximum contribution described in Section (A) above.

- b. Membership education intended to fully maximize health benefits in a manner that encourages cost containment and quality health care (e.g., use of emergency room for non-emergency matters, use of generics, etc.).
- c. Ongoing data sharing regarding comparable costs and health plans with similar districts.
- d. Timelines for meetings consistent with making necessary recommendations for ongoing negotiations and health benefit renewal dates.
- e. The parties shall utilize consultants and/or facilitators as mutually agreeable. Team members shall agree to joint training on labor-management facilitation, health benefit design, and how to assess benefit plans and look for cost savings while maintaining quality health care.
- f. Subject to state and or federal regulations, the parties agree that all data and communications regarding health and welfare benefit programs shall be shared openly between the parties, including discussions regarding bidding and renewals.

This MOU shall supersede any provisions in Article V, Section B of the current Unit A and Unit B Collective Bargaining Contracts to the extent these provisions are in conflict with this MOU. An example of this includes, but is not limited to, the elimination of the 5% employee contribution towards District health benefit insurance costs beginning with the effective date of this MOU.

The provisions of this MOU are contingent upon ratification by CSEA Units A and B on or before February 12, 2013, and the approval by the Board of Education. If this MOU is approved by the Board of Education and timely ratified by CSEA Units A and B, this MOU shall take effect beginning March 1, 2013.

  
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For the CSEA – Valeeta Pharr  
CSEA Chapter 2 President

01/25/2013  
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Date

  
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For the CSEA – Adrienne Rambo  
Unit A Vice President

1/25/13  
\_\_\_\_\_  
Date

*Dan Ewaskey*  
For the CSEA – Dan Ewaskey  
Unit B Vice President

1-25-13  
Date

*Debra Ecung*  
For the District – Debra Ecung  
Director, Employee Relations Services

1/25/2013  
Date