



A Report from the Long Beach Unified School District Negotiating Team ■ November 16, 2005

Meeting of November 14, 2005

Teachers Association Rejects Health Insurance Proposal

The Long Beach Unified School District sent a proposal last Thursday to the Teachers Association of Long Beach to solve the problem created by the jump in CCN health plan rates and last year's agreement with TALB freezing enrollment in Blue Shield HMO and PacifiCare. The district believed that the impending open enrollment period and the potential for premium payment contributions by CCN enrollees created some urgency. This proposal was the major topic for discussion during negotiations on November 14.

District's Health Plan Offer

The school district proposed that effective January 1, 2006, enrollment in Blue Shield HMO and PacifiCare would be opened up and that CCN would be eliminated. Had this agreement been signed, CCN enrollees would have had more options from which to choose during this November's open enrollment period.

The proposal was virtually identical to the one recently accepted by CSEA. It included a reduction in mail order prescription co-pays to \$5 and \$10 from \$10 and \$20 and added a non-formulary co-pay of \$35. It also included the same enhancements as the CSEA proposal, such as chiropractic care. The proposal included language requiring retirees who receive district-paid benefits to assign their Medicare benefits to the district. Many district retirees currently do so, and this represents a substantial cost savings.

School district negotiators expressed surprise when TALB balked at this solution. TALB instead insisted on a proposal covering a broad range of health insurance issues. The district's proposal was summarily rejected by the TALB spokesperson without a caucus.

Late in the day, TALB presented a counterproposal calling for an increase in the lifetime maximum amount for Blue Shield PPO. In response, the school district quickly obtained a telephone estimate that such a change would cost an additional 4 percent to 7 percent in

premiums. Nonetheless, the school district stated it would agree to increase the maximum from \$1 million to \$3 million provided the additional cost did not exceed 7 percent. If the cost exceeded 7 percent, TALB would have the option of foregoing the change or charging its Blue Shield PPO members the difference. TALB rejected this concept.

The school district's latest proposal was limited to opening up the other plans and to eliminating CCN, leaving issues such as lifetime maximums, Medicare, and prescription co-pays to future negotiating meetings. The school district reasoned that because Blue Shield HMO and PacifiCare have unlimited maximums, that only employees switching from CCN to Blue Shield PPO may be impacted, and the negotiators could look at their enrollment numbers after November 30, when open enrollment closes. TALB refused. As of this date, bargaining unit members who remain enrolled in CCN will contribute to premium payments starting January 1, and the Blue Shield HMO and PacifiCare options remain closed to new members during this November's open enrollment period.

Additional Meeting Dates

Negotiators have set these additional meetings:

Tuesday, November 22	TALB Office
Thursday, December 8	TALB Office
Friday, December 16	District Office
Wednesday, January 11	District Office
Monday, January 23	TALB Office
Monday, January 30	District Office

Facts from the Table

and other collective bargaining updates
are available online at

www.lbusd.k12.ca.us

under Employee Relations Services.