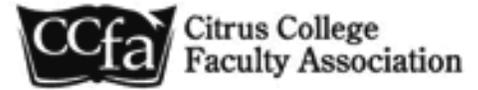


20 April 2017



To: All CCFA Unit Members  
From: CCFA Negotiating Team  
Re: Contract Highlights, Article 10

Fellow Faculty,

### **Article 10—Unit Member Benefits**

This article spells out what most Citrus College employees consider to be what politicians sometimes call a “sacred cow”—fringe benefits (i.e. healthcare, vision, dental, prescription drug, and life insurance). We have excellent health insurance coverage and options and many Faculty feel strongly we should leave it alone. Still, there are some in our bargaining unit who believe we ought to explore changes to our insurance packages resulting in lower costs to the District which might make additional funds available for salary augmentation. Some members believe we should be pursuing enhancements to key provisions like the face-value of our term life insurance and enhancements to post-retirement health benefits. Whatever one’s predisposition, it is important we identify and understand exactly what it is we have now.

The opening paragraphs in 10.1 through 10.1.1 codify what the District is providing to our members. Specifically:

- We are to be provided “mandatory medical, dental, vision, and prescription insurance for those who do not have coverage from another source.”
- New Unit Members must select a program and file the appropriate paperwork within 30 days of their date of hire and the District must inform them of the programs available.
- Coverage for new Unit Members begins the month following their first day of service, provided they have satisfied a minimum 10-working-day requirement in the previous month.
- Coverage shall be the same as it was in 2001 – 2003 for Unit Members and their dependents
- Any change in provider or level of coverage must be approved by the Association

10.1.2 speaks to something that doesn’t apply to many of us, specifically “previously created” tax-sheltered amounts “created through the use of excess allotments” shall be maintained at the 1981 – 1982 level (\$71.00).

10.2 delineates what happens if a member of our Unit has coverage from another source. Specifically that there shall be funds available for allocation to the Unit Member’s Tax Sheltered Annuity (TSA) in lieu of taking insurance from the District as follows:

- The same allotment as in 10.1.2 (\$71.00), plus
- 20% of the single-party HMO rate
- The remaining amount (80%) of what it would have cost to provide a Unit Member with coverage from the District is forfeited and used to offset/subsidize the cost of providing benefits to other employees.

Some additional key provisions of this contract article include:

- Term life insurance in the amount of \$50,000.
- Ability to use three days of sick leave for unspecified personal necessity.
- Ability to be released from duty to fulfill the responsibilities of an elected office “statewide educational organization.” The organization in question is responsible for reimbursing the District in an amount proportional to the required released time.

## 10.6—Post-Retirement Health Benefits

Provided for in this section, are “medical, dental, vision, and prescription coverage” for retired Unit Members to be paid for by the District “which are the same as those provided to active Unit Members.” There are some key provisions here.

- Retirement must occur after the Unit Member’s 55<sup>th</sup> birthday, or under the disability provisions of STRS.
- The Unit Member must have at least 10 consecutive year of service to the District.
- A Board approved leave shall constitute a year of service.
- Permanent severance of employment “under any circumstances other than retirement” render these benefits unavailable.
- A letter of retirement and an “Application for Retirement Benefits” must be submitted prior to retirement.
- Unit Members who have been utilizing the provisions of Article 9, Reduced Teaching Load with Full Retirement Benefits, but who otherwise qualify according to the terms of Article 10.6, shall be eligible to receive the same retirement benefits as full-time Unit Members who retire.

This sounds like “lifetime” healthcare benefits, but it is not. Not really, anyway. 10.6.3—Retirement Options shows two options (A & B) from which a retiring Unit Member must choose. Option A provides for Unit Members retiring after age 55 to receive:

- With 10 consecutive years of service to the District, benefits paid to age 67
- With 20 consecutive years of service to the District, benefits paid to age 68
- With 30 consecutive years of service to the District, benefits paid to age 69

This is essentially a “bridge” to Medicare eligibility, with some additional years rewarding additional years of service. For those Unit Members retiring later in life, or who have healthcare provided from another source, another option is available. Specifically, Option B provides for **an annual amount paid to the retiree for life** according to years of service as follows:

- 30 years, \$2500
- 25 years, \$2250
- 20 years, \$1875
- 15 years, \$1250
- 10 years, \$1000

Essentially, this provision provides a subsidy for the cost of any of the many available Medicare supplement insurance plans.

Lastly, Article 10.6.4 provides for a small bonus (\$5000) to be paid to retirees who officially notify the District by September 15<sup>th</sup> of their last year of service. As with all other post-retirement benefits, the Unit Member must have at least 10 consecutive years of service to the District by the time they retire.

There you have it; Unit Member Benefits in a nutshell. Take time to read Article 10 yourself if anything expressed here is unclear. There may be a number of ways in which these benefits could be improved. Similarly, there may be any number of provisions here we could “weaken” and free up some additional monies for salary. We will be surveying Faculty in May so you can express on which side of that fence you find yourself.

Yours in Unity,

-CCFA Negotiating Team