

## Labor Coalition SEBB Initial Supposal

The SEBB labor coalition submits the following supposal to the Office of Labor Relations. In accordance with our prior discussion, the supposal will allow the Office of Labor Relations to capture the economic issues that the coalition has an interest in bargaining and develop initial bargaining language that can be used in subsequent bargaining sessions.

The coalition does not consider any of the exact language, formatting, or punctuation location contained in this supposal to be an initial proposal to the Office of Labor Relations. It is intended to provide a context for an initial discussion about labor interests in SEBB bargaining and to provide the Office of Labor Relations a base to start creating initial bargaining language for future bargaining sessions.

## SEBB Bargaining Supposal Elements

- A. For the 2019-21 biennium, the State will contribute an amount equal to the sum of (a) and (b) multiplied by (c). Shown mathematically, the calculation will be  $(a+b)*(c)$  :
  - a. Health Insurance Contribution
    - i. 90% of the total weighted average of the projected health care premium for every full time equivalent funded by the state, or \$1,050 per month per full-time equivalent whichever is greater; and
  - b. Dental, Vision, Basic Life, Basic Long-Term Disability, and Retiree Subsidy Coverage Contribution
    - i. The entire premium cost for the projected costs for dental, vision, basic life, basic long-term disability and any required retiree subsidy for every full time equivalent funded by the state; multiplied by
  - c. Part-Time Employee Factor
    - i. A part-time employee factor applied to state funded full time equivalent certificated staff and a part-time employee factor for applied to state funded full time equivalent classified staff.
      1. For certificated staff, the factor will equal 1.02
      2. For classified staff, the factor will equal 1.43
      3. These factors represent a ratio of all eligible headcount staff (working 630 hours or more) to all FTE staff by staff category and including staff in all programs based on preliminary personnel data from SPI for the 16-17 school year **{Kate Davis and Cynthia Hollimon can provide further detail on how these factors were arrived at}**
  - d. The sum the amounts for Section A.a and Section A.b per employee per month shall not be less than the full cost of the benefit programs provided for PEBB employees per month, sometimes referred to as the “net funding” amount. The amount in section A.a will be increased to address any deficit identified.
  - e. For state funded programs that do not specifically identify a number of FTEs but utilize K-12 employees to perform the work (Student Transportation, Food Service), funding formulas will be increased to address the increased state contributions for health care costs and increased health care eligibility rates.

- B.** The projected health care premium calculation in Section A.a.i is the weighted average across all tiers for all plans with an 80% actuarial value and which result in a weighted average of at least an 88% actuarial value. The projected health care premium in this section does not impair or impact School Employee Benefits Board (SEBB) decisions on plan offerings.
- C.** Employers participating in SEBB programs must contribute the same amount for all eligible employees regardless of funding source.
- D.** Employers participating in SEBB programs must pay 100% of the premium costs for dental, vision, basic life, and basic long-term disability. Employers participating in SEBB programs must also pay 100% of any retiree subsidy.
- E.** For the 2021 plan year, the State will increase the contribution amounts and adjust the employer share of premium costs above 90%, and decrease the employee share of the premium costs below 10%, by an amount necessary to spend any surcharges collected by the health care authority associated with a smokers' surcharge, spouse surcharge, or any other surcharge adopted by the SEBB in the 2020 plan year.
- F.** Between the time the tentative agreement is signed and the expiration of the agreement, any changes to laws, rules, regulations, or health plans that would increase costs to SEBB covered employees or change eligibility status will require reopening bargaining for contribution amounts.
- G.** Between the time the tentative agreement is signed and the expiration of the agreement, any changes to laws, rules, or regulations that may impact SEBB costs for active employees resulting from any transition for retired and disabled school employees from one risk pool to another (EHB 2242 Section 804(4)), or changes to the retiree subsidy or contribution methodology for school retirees will require reopening bargaining for contribution amounts.