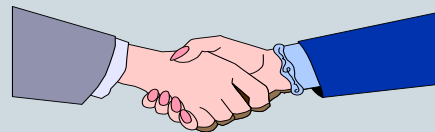




GGEA/GGUSD Tentative Agreement for 2009-2010



**AN INFORMATIONAL
MEETING REGARDING THE
TENTATIVE AGREEMENT
REACHED THROUGH
NEGOTIATIONS**





Salary



- The current salary schedule will be maintained for the 2009-2010 school year
- This in no way guarantees salary will remain unchanged for 2010-2011 and beyond
- That is dependent upon the effectiveness of cuts made so far and the state budget

Personal Necessity Leave



- 11.3a Employees shall be allowed not more than ten (10) days of accumulated sick leave annually for the purposes of personal necessity. Any of the ten (10) days may be used for reasons of compelling personal importance. (However, in no case shall this leave be used for **vacation** (formerly recreational) purposes.)
 - ✓ What is the difference between “recreation” purposes and “vacation” purposes?

PN Day Example



- Aunt Bertha is visiting from Indiana and wants to go to Disneyland on a work day
 - ✓ Could have been construed as “recreational”
 - ✓ Definitely isn’t “vacation”
- Don’t ask (district), and if asked, don’t tell (employee)
 - ✓ Respond: “I have an issue that is of a compelling, personal necessity”





Evaluation Timeline



- The Evaluation timeline has been increased to a minimum of once every five years, up from four years
 - ✓ Ed Code dictates that this is only for employees with at least 10 years of experience in the District
 - ✓ District agrees that employees should not be evaluated more frequently for reasons of principal workload (i.e. too many evaluations the following year)

Elementary Grade Level Assignments



- A side letter has been signed that requires the District to collect data on elementary grade level assignments for 2008-2012 and review this data with the Association President
 - ✓ This data will be used to investigate the Association's concern of grade level changes that are done in a punitive or haphazard manner

Why Health Benefits?



- Rationale behind cost adjustments to Health Benefits
 - ✓ No adjustments have been made since 1993
 - ✓ Since 2000, the per employee cost for health benefits has almost doubled (2000- \$8,222; 2009- \$15,381)

Why Health Benefits? (cont.)



- ✓ GGUSD has high health benefits costs compared to the rest of the county
- ✓ Avoids a cap, a strong District interest, which leaves our members open to annual increases that are not negotiated, in addition to monthly contributions (most districts have this)

Why Health Benefits? (cont.)



- ✓ Helps protect our current level of benefits (another way to save money is to cut the benefits offered)
- ✓ Changes are, or can be (with proper planning), from pre-tax dollars, lessening the financial impact
- ✓ Helps protect salary, and therefore, retirement benefits

Why Health Benefits? (cont.)



- ✓ Short term benefit of increased funding during current financial crisis and the hopes of long term cost-containment of health benefits costs
- ✓ GGUSD benefits still rank among the highest in regards to employee costs, choices, and benefits offered against other districts statewide

Monthly Contribution



- Monthly Contribution is increased to \$50/\$100/\$150 (previously \$30/\$70/\$95)
 - ✓ Uses pre-tax dollars to lessen the financial impact
- Retirement Contribution is increased to \$450/ \$900 annually (90% of active costs)
 - ✓ Retirees are not covered for dental and optometry (about 10% of overall costs for the plan)

Medical Deductible



- Medical Deductible of \$300 per person will be implemented with a Pre-Deductible Allowance
 - ✓ Max 3 people per family will incur the deductible
 - ✓ Some employees will not have to pay the deductible because they will stay under the PDA threshold
 - ✓ All other expenses, such as co-pays, will still apply before, during, and after the deductible

Pre Deductible Allowance (PDA)



- PDA of \$600 per person
- PDA is the amount the District will pay for medical costs before the deductible is applied
- Meant to still allow employees to have wellness care with no out-of-pocket expenses

Pre Deductible Allowance (PDA)



- Each person has an individual PDA, not cumulative for family
- A family of 6 could have all 6 members with medical costs of \$599 and would not have to pay any deductible costs

Deductible/PDA Example (EPO)

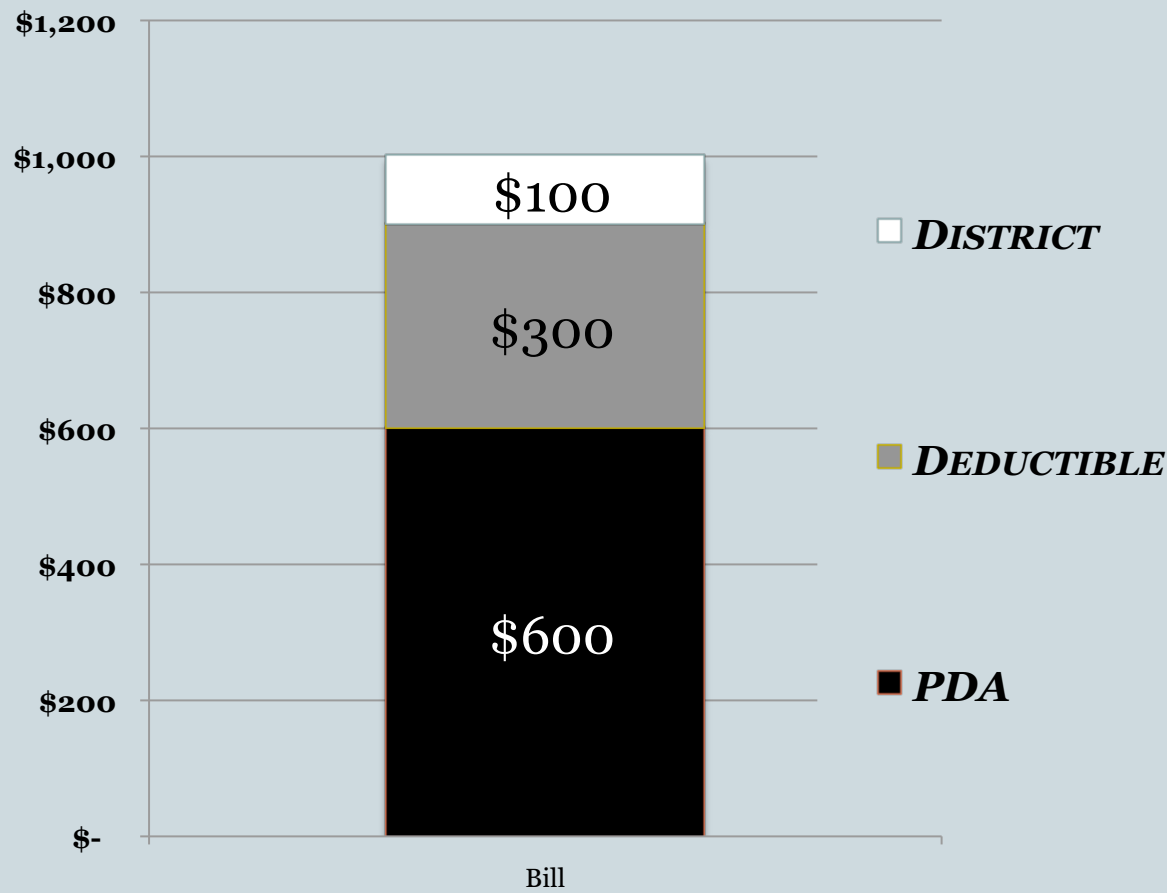


- “Pete” incurs his first bill for medical costs of \$1,000
- The PDA will cover the first \$600
- Pete will have to pay the deductible of \$300
- All future medical costs, including the remaining \$100, that Pete incurs will be paid by the District

Deductible/PDA Example- EPO



- For a medical bill of \$1,000:



Deductible- HMO & PPO



- The HMO Deductible will have to be worked out with the individual providers
 - ✓ The District will attempt to maintain as much uniformity as possible
- The PPO Deductible threshold will be when the District expenses total \$600
- Employees under the PPO will pay:
 - ✓ First, 20% of expenses until the District pays \$600
 - ✓ Next, the \$300 Deductible
 - ✓ Then, 20% of the remaining expenses



Prescription Costs



- The prescription co-pay is increased to \$5/\$10/\$35 (previously \$3/\$8/\$20)
 - ✓ 87% of the people currently on Tier III have a generic option available
 - ✓ With this tier structure, it is hoped that employees will take the cheaper generic option more frequently, decreasing expenses in prescription costs

Prescription Costs (cont.)



- Discount for mail order drugs is eliminated (Employees pay actual cost, instead of pay for 2 months and get 3 months supply)
- ✓ The District no longer receives a discount for using mail order and it takes away the incentive to possibly purchase more than is needed



Vision Costs



- Vision co-pay has been increased to \$25 to match the office visit co-pay (previously \$10)
- Employees will pay for 1/2 of the second pair of eye glasses or contacts if both are supplied in the same 12 month period



Emergency Room Costs

- Emergency Room co-pay is increased to \$100 and implemented for the PPO as well (previously \$50)
 - ✓ GGUSD has almost four times the average utilization rate for the Emergency Room
 - ✓ The larger cost will hopefully make people consider going to the urgent care instead, which is a much cheaper option

Miscellaneous



- The medical office visit co-pay will remain \$25
 - ✓ The Association felt this is already a fair amount and fought hard to maintain it
- The annual orthodontia maximum of \$700 will be removed
 - ✓ The lifetime maximum of \$2800 will remain
 - ✓ This is a benefit to our members

Miscellaneous



- Education- the District will offer some release days to selected members to create educational materials and the District will co-present trainings on how to best utilize our health benefits
- Employees with spouses also working in the District whom “double cover” each other, will pay the increased monthly contribution with a uniform \$300 deductible and \$600 PDA



Calendar of Implementation



- Deductible- January 1st, 2011 (calendar year)
- Monthly Contribution- September payroll deduction in 2010
- Prescription Co-pay- October 1st, 2010
- Emergency Room Co-pay- October 1st, 2010
- Vision Co-pay- October 1st, 2010
- Orthodontia Maximum- October 1st, 2010
- All October 1st dates are the plan year

Miscellaneous



- This in no way solves our current budget gap
- That was not the intent of these changes, as the changes to health benefits are permanent, while we are dealing with a temporary problem (budget crisis)

Miscellaneous



- Much will be dependent on savings from current cuts and the state budget that is passed
- We are only at the beginning of the state budget process- we will know more in May
- The ratification election will be held Monday, Feb. 22nd through Friday, Feb. 26th

Thank You to the following groups...



- GGEA Bargaining Team for the many, many days and hours spent in Negotiations and preparation for Negotiations
- Other employee groups (CSEA, GGPPSA, Supervisory Unit) that participated in coordinated bargaining for working together toward the best package possible



Thank You to the following groups...



- GGEA Board of Directors for their leadership and direction throughout this process
- GGEA Site Reps for keeping the membership as up-to-date as possible and for giving input
- CTA Staff and Orange Service Center for their tremendous efforts and support





Questions?



- We will now take time for a Question and Answer session
- The Association wants the membership to make an informed decision, so please do not hesitate to voice questions or concerns