



Rescue Union School District

Cash-in-Lieu Request Form – CSEA (One-time)

Qualifications:

CSEA - Only 260 day, full-time (1.0 FTE) employees are required to take medical insurance with CVT under the current CSEA contract. This limits the number of employees who would create a cost savings due to opting-out of medical coverage.

Currently, there are 24 positions that meet the required insurance participation requirement (Lead Maintenance Technician (3), Utility/Maintenance Technician (3), Lead Custodian (7), Custodian (7), Technology Support Specialist (2), Account Technician (1), and Database Support Specialist (1))

The annual savings generated from one of these positions opting out of medical insurance would be \$5,844.

It has been mutually agreed to allow all employees regardless of status, to opt out of medical coverage. No additional payment will be offered to these employees. Below is the language to be included in Article XV Health Benefits:

15.4 Changes / Enrollment Period

All changes to insurance plans, including the decision to opt-out, can only take place during the annual open enrollment period except for qualifying events ~~covered by COBRA~~.

All employees have the option to opt-out of health benefits during the open enrollment period.

It has been agreed that a one-time payment in the 2019-20 fiscal year will occur based upon the following breakdown:

- The number of participants in medical coverage and the number of full-time employees who opt out will be calculated in January 2020, as this will be the first full cycle opportunity for employees to opt out.
- The number of full-time employees that opt out will create a pool of funds.
- This pool will be divided by the number of employees who take medical coverage prorated by their FTE and the number of full-time 260 day employees who opt out as of January 1, 2020.
- The amount per person will be paid as a one-time payment prorated to those who take medical coverage and those who opt out.

Example: Assuming five employees opt out and there are 60 employees (10 of which are .75 FTE) taking medical coverage.

5 Opt-out = 5 x \$5,844 = \$29,220 Pool

50 employees at 1.0 FTE + 10 employees at .75 + 5 Opt out = 50+(10 x .75= 7.5) + 5 = 62.50

\$29,220 pool / 62.50 = \$467.52 for full time employees/opt-out employees and \$350.64 for the 10 0.75 FTE employees

- The one-time payment to participants will occur in January 2020.
- The District is making the following concessions as this will be a one-time payout in 2019-20 and will not occur again.
 - District will not be allocated 1/3 of the savings generated to offset expenses related to change to CalPERS.
 - Additionally, the savings created in the pool is an annualized amount, but the savings for the 2019-20 fiscal year is only from January – June, so the District will be allocating an additional 50% cost for this payment.
 - If any opt out participants due to a qualifying event decide to take insurance, the District will be responsible for the extra cost paid out in 2019-20.

Please attach proof of coverage to this form and complete the information below.

Name _____

Medical Coverage Provider _____

(Name of Spouse Employer, Purchase on Open Market, etc.)

Coverage Plan _____

(Blue Cross/Kaiser, Etc.)

Coverage State Date _____

(Must be at or prior to beginning of coverage period)

Employee must attached proof of coverage to this form, which can be a statement of coverage with employee’s name, medical card, or other document. District may request an updated verification of coverage at a later date. Employee is responsible for notifying District if coverage is terminated, and is required to reimburse the District for any cash-in-lieu payment adjustments due to loss of coverage.

Employee Signature _____