

MEMORANDUM OF UNDERSTANDING
BETWEEN
FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT
AND
FOOTHILL-DE ANZA FACULTY ASSOCIATION

This memorandum of understanding is entered into by and between the Foothill-De Anza Community College District (“District”) and the Foothill-De Anza Faculty Association (“FA”).

It is the intent of the parties to fully comply with the provisions of AB 190 (chaptered as Education Code Sections 87860-87868), which allows the District to apply for up to 100% reimbursement of part-time medical expenses (excluding dental and vision insurance) subject to the availability of state funding.

The parties agree that this modification shall be cost neutral to the District. If at any time, the District does not receive 100% reimbursement for the fiscal year in which health insurance premiums were paid, and the unreimbursed expenses exceed 50% of the expenses for part-time benefits for fiscal year 2023-24 this modification shall be suspended and revert to the Article 22A language in effect in Fall 2023 for Benefits Plan Year 2024. This reversion shall affect the employee contributions for the next benefits coverage period which begins on September 1st. If the entire state reimbursement program is suspended or discontinued, the District and FA will revert to the Article 22A language in effect for Plan Year 2021. Eligibility for the following mid-year enrollment will be based on Part-Time Faculty Benefits eligibility language in place in Plan Year 2021.

The reimbursement funds will be used to offset the total cost of all employee health benefits. In evaluating the operational impact from this modification that may affect other employee groups, both parties agree that FHDA may charge reasonable administration costs for this program such as program set-up fees, third-party administration fees, check processing costs, and/or additional staffing needed to support the program and its requirements.

The parties agree that the implementation date for these changes shall be September 1, 2024. The benefit Plan Year shall be in accordance with CalPERS regulations, currently January 1 through December 31. As such, employee contributions may change on January 1 of each calendar year.

District and FA therefore agree to modify Article 22A of the *Agreement* with regards to health insurance for eligible part-time faculty as follows:

Eligibility for FHDA 40% or greater faculty

22A.1 Each qualified part-time faculty employee shall be eligible to enroll in a District-sponsored health benefit plan as specified in this article. A qualified part time faculty employee is one who:

22A.1.1 By virtue of their District employment had an annual load factor of 0.400 or more during the academic year as specified in this article. The District shall use the full academic year to determine annual load; and

22A.1.2 Affirms annually via a signed affidavit (Appendix K of this *Agreement*) that they are not receiving health benefits, as a primary insured or a dependent, where all or part of the premium is paid by another employer, other than a California Community College, in accordance with Education Code 87864.

Medicare Obligation

22A.2 A part-time faculty employee who is eligible for Medicare is required to enroll in Medicare Part A during the three-month window prior to turning age 65. At the time of Part A enrollment, the employee shall request to delay enrollment in Medicare Part B until he or she is no longer covered by the District's Plan. The employee shall complete the Part A enrollment and request the Part B delay at the Social Security Administration. The faculty employee shall have the sole and complete responsibility for complying with this provision.

Medical, Hospital, and Prescription Benefits – General

22A.3 Effective September 1, 2024, each qualified part time faculty employee is eligible to enroll the part-time faculty employee and their eligible dependents in any one of the health plans offered by CalPERS.

22A.3.1 The employee must enroll during the mid-year enrollment period in August. The employee is also allowed to change plan selection during the established open enrollment period or periods.

22A.3.2 All plans shall require employees to contribute for each plan choice and level placement as described below.

22A.3.3.1 Contribution rates in each plan shall have three levels: employee-only; employee plus one; employee plus family.

22A.3.3 The benefit coverage period for FHDA 40% or greater faculty is September 1 through August 31. The benefit Plan Year shall be in accordance with CalPERS regulations, currently January 1 through December 31. As such, employee contributions may change on January 1 of each calendar year.

District Responsibility for Premium Payment

22A.4 Effective September 1, 2024, District responsibility for premium payment for FHDA 40% or greater faculty employees shall be equivalent to the District's premium payment for full-time faculty toward the same plan and level.

Plan Choices and Employee Monthly Contribution Rates

22A.5 Brief information on the CalPERS plans, including benefits, coverage limitations, deductibles, copays, and coinsurance, is contained in the CalPERS Annual Health Benefit Summary and available online at <https://hr.fhda.edu/benefits/_medical-revised.html>.

22A.6 Employees shall be required to pay the remainder of the amount not covered by the District's contribution as provided in 22A.4 for the plan selected. Rates for each plan, and

level are expressed monthly, i.e., 1/12th of the employee annual contribution, and are available online at <<https://hr.fhda.edu/benefits/medical-revised.html>>.

Payroll Deduction for Employee Monthly Contribution

22A.7 Required employee contributions shall be made through payroll deductions from regular monthly paychecks.

22A.7.1 Effective September 1, 2024, the required annual premium shall be recovered through 12 equal deductions from the following regular payroll periods: September, October, November, December, January, February, March, April, May, June, July, and August.

22A.7.1.1 Payroll deductions for employee monthly contributions shall occur in the pay period the contribution is due. For example, the contribution for January shall be deducted from the January paycheck.

22A.7.2 In the event the required monthly contribution exceeds compensation in any regular pay period, the employee shall have the responsibility for paying the District directly, as determined by CalPERS Health Plan provisions, for the uncovered amount in accord with Plan Compliance timelines and procedures.

Continuing Eligibility

22A.8 Continuing eligibility shall be determined annually based upon the part-time faculty employee continuing to meet eligibility as a qualified part-time faculty employer as described in Section 22A.1.

22A.8.1 Eligibility shall cease if:

22A.8.1.1 The employee's load for the prior academic year is less than 0.4; or

22A.8.1.2 The employee resigns or retires from service in the District; or

22A.8.1.3 The employee fails to enroll during the annual mid-year enrollment, normally in August, or in the Open Enrollment period normally in September/October and/or fails to submit required documents; or

22A.8.1.4 The employee fails to meet his/her financial obligation and loss of coverage affecting the next plan year. Eligibility may resume in accordance with Plan Compliance procedures and timelines.

22A.8.2 Should coverage cease, the part-time faculty employee may be eligible for COBRA rights.

Eligibility for Multi-District Part-Time Faculty Healthcare Reimbursement

22A.9 To be eligible for health insurance reimbursement for a portion of their paid medical insurance premium, a Multi-District Part-Time Faculty Member must have met all of the following criteria:

- 22A.9.1 Served in more than one California community college district and had assignments that cumulatively equal or exceed 40% of a full-time workload during the reimbursement period.
- 22A.9.2 Not have held an assignment in any single California community college district with a health care program for part-time faculty in which their assignment equaled or exceeded 40% of the full-time equivalent faculty assignment;
- 22A.9.3 Not have received coverage from any other employer sponsored plan, or as a covered dependent of anyone receiving coverage from an employer sponsored plan; and
- 22A.9.4 Have an individually purchased healthcare plan covering themselves and optionally any eligible dependents.
- 22A.10 A qualifying Multi-District Part-Time Faculty employee must provide timely documentation as requested by the District demonstrating they meet the eligibility requirements as stated in 22A.9, in addition to signing an affidavit provided by the District attesting to having met these requirements.
- 22A.11 Upon receipt of documentation evidence of the Multi-District Part-Time Faculty employee's medical premium payment, the District shall issue a reimbursement equal to its share of this premium payment. The District's share shall be determined by dividing the total health insurance premium paid by the multidistrict part-time faculty member by the total number of California community college districts in which the multidistrict part-time faculty employee is employed, multiplied by the District's premium percentage for the District's most commonly subscribed plan. The District's share shall not exceed that which it would have paid if the Multi-District Part-Time Faculty Member had purchased the District's most commonly subscribed plan.
- (For example, if the multidistrict faculty employee works in three districts and the District pays 85% of the premium in the District's most commonly subscribed plan for full-time faculty, the reimbursement shall be 85% of one-third of premium paid, up to a maximum of 85% of one-third of the premium of the most commonly subscribed plan.)
- 22A.11.1 The District shall provide reimbursement twice per year: one reimbursement for premiums paid January through June, and a second reimbursement for premiums paid July through December.

Other Eligibility

- 22A.12 Part-time faculty employees who do not qualify under 22A.1 or 22A.9, but do teach two or more courses in two consecutive quarters within the same academic year are eligible to enroll in the District sponsored (CalPERS) medical plans.

22A.12.1 The District contribution for these plans is \$0. That is, the employee shall pay the full cost of the plan premium through monthly payroll deductions.

22A.12.2 The employee is eligible to enroll during the mid-year enrollment (normally August) following verification of eligibility at the end of the previous academic year.

22A.12.3 Eligibility shall cease if:

22A.12.3.1 The employee's load for the prior academic year does not include two or more courses in two consecutive quarters; or

22A.12.3.2 The employee resigns or retires from service in the District: or

22A.12.3.3 The employee fails to enroll during the annual mid-year enrollment, normally in August, or in the Open Enrollment period normally in September/October and/or fails to submit required documents; or

22A.12.3.4 The employee fails to meet his/her financial obligation and loss of coverage affecting the next plan year. Eligibility may resume in accordance with Plan Compliance procedures and timelines.

Same-Sex Domestic Partners


22A.13 The District and FA agree that same-sex domestic partners shall be included under this article. The procedures for application, qualifications, duration, and other appropriate provisions are specified in Appendix L of this *Agreement*.

Re-opener

22A.14 The program shall be dependent upon the continuation of funding as described in Education Code Sections 87860 through 87868 whereby the State pays up to one hundred percent of the District's total cost, provided that the amount claimed by all districts in the state does not exceed the funding provided in the state budget. If at any time, the District does not receive 100% reimbursement for the fiscal year in which health insurance premiums were paid, and the unreimbursed expenses exceed 50% of the expenses for part-time benefits for fiscal year 2023-24 this modification shall be suspended and revert to the Article 22A language in effect in Fall 2023 for Benefits Plan Year 2024.

If the entire state reimbursement program is suspended or discontinued, the District and FA will revert to the Article 22A language in effect for Plan Year 2021. Eligibility for the following mid-year enrollment will be based on Part-Time Faculty Benefits eligibility language in place in Plan Year 2021.

05/30/2024


Kathy Perino (May 30, 2024 18:50 PDT)

Foothill-De Anza Faculty Association



Foothill-De Anza Community College District