

MEMORANDUM OF AGREEMENT
between the
ELMIRA HEIGHTS CENTRAL SCHOOL DISTRICT
and
ELMIRA HEIGHTS EDUCATIONAL
SUPPORT STAFF ASSOCIATION

Health Insurance Plan Adjustments
Commencing July 1, 2021

THIS MEMORANDUM OF AGREEMENT is made by and between the Elmira Heights Central School District (hereinafter the “District”) and the Elmira Heights Educational Support Staff Association (hereinafter the “Association”).

WHEREAS, the District and the Association entered into a Collective Bargaining Agreement governing all negotiable items between the District and the Association for the period of July 1, 2018 through June 30, 2022 (hereinafter the “CBA”);

WHEREAS, Section 16.1(a) of the CBA states, in part, that the “District will provide health insurance through the Excellus Blue Cross PPO Signature Co-pay 1 plan”

WHEREAS, the District and the Association have examined increasing health insurance costs and have agreed to implement a new health insurance plan, including the existing Excellus Blue Cross PPO Signature Co-pay 1 plan and an optional Excellus Blue Cross Signature Deductible 3 Plan (collectively the “Excellus Dual Health Plan”);

WHEREAS, the District and Association recognize that the Excellus Dual Health Plan will provide cost containment for the District only if members of the Association elect to participate in the Excellus Blue Cross Signature Deductible 3 Plan with a premium cost savings for both the District and the electing member;

WHEREAS, the District and the Association wish to incentivize members of the Association to elect the Excellus Blue Cross Signature Deductible 3 Plan option;

NOW THEREFORE, it is mutually agreed between the parties as follows:

1. Section 16.1(a) of the CBA will be modified effective July 1, 2021 to state the following:

“(a) The District will provide health insurance through the Excellus Blue Cross PPO Signature Co-pay 1 Plan or the Excellus Blue Cross Signature Deductible 3 Plan, whichever is selected by the employee/retiree (up to Medicare eligibility). Should such an employee/retiree elect to participate in the Excellus Blue Cross Signature Deductible 3 Plan option, he/she should provide notice of the same during the open enrollment window. If the Excellus Blue Cross Signature Deductible 3 Plan is

selected, an HRA account will be established to fund the cost of the deductible (\$1,500/\$3,000 based on plan participation) (See Section 26.12).”

2. Add a Section 16.1(c) which shall state the following:

“(c) The employee or eligible retiree will be able to elect to change their plan of choice during each annual open enrollment window. Retirees will be eligible for either of the plans offered through the Excellus Dual Health Plan until they are eligible for Medicare, at which time they will be provided health insurance through the District’s Medicare Advantage Plan.”

3. Revise Section 26.12 of the CBA to state the following:

§26.12. Flexible benefit plan (§125 accounts) and Health Reimbursement Accounts.

- (a) Flexible benefit plan. The District shall establish a qualified IRC Section 125 Flexible Benefit Plan subject to the following:

- (i) Participation in the Plan shall be voluntary.
- (ii) Each participant may elect an annual salary deferral for an amount selected by the employee.
- (iii) The Plan administrator will be jointly agreed to by the parties and the qualified uses for the Plan will be in accordance with IRC Section 125.
- (iv) The costs for the administration of the Plan will be borne by the District.
- (v) The parties agree that at the end of each Plan year, any remaining balance in the Plan will revert to the District.
- (vi) The District will make an annual contribution to the account of employees receiving health care coverage based on their election of District-provided health care coverage in the following amounts:

Plan	District Contribution
Single Plan	Two Hundred Fifty Dollars (\$250.00)
Employee + Child/ren Plan	Two Hundred Seventy-Five Dollars (\$275.00)
Employee + Spouse Plan	Two Hundred Seventy-Five Dollars (\$275.00)
Family Plan	Three Hundred Dollars (\$300.00)

- (b) Health Reimbursement Arrangement for Excellus Blue Cross Signature Deductible 3 Plan participants. The District shall establish a Health Reimbursement Arrangement account (“HRA”) for all employees or retirees participating in the Excellus Blue Cross Signature Deductible 3 Plan, subject to the following:

- (i) The District will select a third-party administrator (TPA) who will establish all rules regarding reimbursement for IRS qualifying expenses and use of HRA funds. The TPA will issue debit cards to employees for payment of qualified unreimbursed medical expenses paid or incurred within the operative plan year for such expenses.
- (ii) Unexpended funds in an HRA account shall revert back to the District at the end of the Plan year.

- (iii) Unexpended funds in an HRA account will revert back to the District if and when there is a separation from service with the District, for any reason, or participation in the Excellus Blue Cross Deductible 3 Plan otherwise ends.
- (iv) The cost for the administration of the Plan will be borne by the District.
- (v) The District intends to fund the applicable high deductible payable by employees/retirees who participate in the Excellus Blue Cross Deductible 3 Plan. The District will fund the HRA accounts of employees and retirees participating in the Excellus Blue Cross Deductible 3 Plan each year as follows:

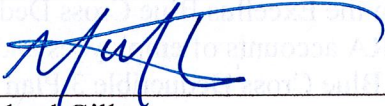
Plan	District Contribution
High Deductible Single Plan	Fifteen Hundred dollars (\$1,500)
High Deductible Employee + Child/ren Plan	Three Thousand dollars (\$3,000)
High Deductible Employee + Spouse Plan	Three Thousand dollars (\$3,000)
High Deductible Family Plan	Three Thousand dollars (\$3,000)

- 4. To incentivize election of the Excellus Blue Cross Deductible 3 Plan option and corresponding HRA, the District will pay the equivalent of an additional ten cents (\$0.10) per hour (not added to base) to every employee **if** six (6) members from the Association participate in such plan for the 2021-2022 school year, as measured on June 1, 2021 (hereinafter the "High Deductible Plan Use Incentive Payment"). The High Deductible Plan Use Incentive Payment will be calculated for each employee based on hours worked for the 2021-2022 school year and will be payable in two equal installments – the first in December, 2021 and the second in June, 2022. This High Deductible Plan Use Incentive Payment is in addition to the existing contractual salary increases and benefits provided for in the CBA. This additional pay is effective for the 2021-2022 school year only.
- 5. The parties agree not to invoke the grievance process set forth in Article 12 of the CBA regarding the addition of the Excellus Dual Health Plan or the implementation of the High Deductible Plan Use Incentive Payment.
- 6. This Agreement does not constitute a waiver of any right preserved by the parties and that are otherwise vested under the regulations, laws, and constitution of the State of New York or federal law.
- 7. This Agreement constitutes the complete agreement by and between the parties and may not be changed or modified except in writing executed by the same parties hereto.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be executed on the date herein written:

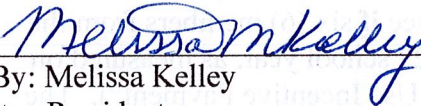
**ELMIRA HEIGHTS
CENTRAL SCHOOL DISTRICT**



Date: 4/16/2021

By: Michael Gill
Its: Superintendent of Schools

**ELMIRA HEIGHTS EDUCATIONAL
SUPPORT STAFF ASSOCIATION**



Date: 4/16/21

By: Melissa Kelley
Its: President