

in effect through December 31, 2008. Effective January 1, 2009, Section 18.01 and Section 18.07 described below, shall govern the District's contribution towards health coverage for active employees and retirees.

18.01 - The District will make available health coverage under the CalPERS Health Benefits Program. Enrollment in the CalPERS Health Plans is mandatory with the exception of the provisions of Dual Coverage benefit described in paragraph b below. The same plan will cover both the employee and his/her eligible dependents pursuant to CalPERS Health Benefits Program eligibility requirements.

The District will implement a full Flex Cafeteria Plan, effective January 1, 2009, hereby referred to as the "Cafeteria Plan", for all eligible employees. Under the Cafeteria Plan, employees and their eligible dependents shall be eligible to receive flex dollar allowances to purchase qualified health care coverage.

a. The District's contribution towards coverage under the Public Employees Medical and Hospital Care Act (PEMHCA) for each employee and eligible dependents shall be the Public Employees' Health Care Act (PEMHCA) Minimum Employer Contribution (MEC) for coverage as determined by CalPERS on an annual basis. The flex dollar allowance under the District's Cafeteria plan shall include the MEC. The flex dollar allowance shall be equal to the greater of the full cost of enrollment of the employee and his/her family members in the highest cost HMO medical plan with a traditional network or the PERS Choice plan offered by the CalPERS Health Benefit Program in the Bay Area/Sacramento Region. Employees will be eligible to use their monthly flex dollar allowance to purchase qualified benefits in accordance with the terms of the cafeteria plan. The 2009 flex dollar allowance shall be:

| | |
|------------------------------|------------|
| Employee only : | \$560.57 |
| Employee Plus One dependent: | \$1,121.14 |
| Employee Plus Family: | \$1,457.48 |

b. Dual Coverage Benefit. An employee and his/her eligible dependents who are eligible for coverage under the District's medical plan and who are covered by another medical plan, may elect to waive coverage under the District's medical plan by providing proof of such coverage and by signing a waiver of benefits form. Employees who waive coverage will receive a flex dollar allowance equivalent to one-half (1/2) of the CALPERS Bay Area/Sacramento Kaiser premium amount for which the employee is eligible.

The flex dollar allowance for employees who waive coverage, shall be payable to an Employee on a monthly basis as long as all of the following requirements are met:

1. The employee remains employed by the District;
2. The employee provides annual confirmation of continued coverage under another medical plan, and
3. Employee completes a waiver of benefits form. If at any time the employee enrolls in the medical coverage offered by the District, the employee will cease to receive a payment for waiving coverage on the date the medical coverage under the District's Plan becomes effective.

c. Employee Medical Contribution

1. Effective the pay period that includes July 1, 2014 all employees shall contribute 0.25% of salary towards medical.
2. Effective the pay period that includes July 1, 2015 all employees shall contribute an additional 0.25% of salary towards medical.
3. Effective the pay period that includes July 1, 2016 all employees shall contribute an additional 0.25% of salary towards medical.
4. Effective the pay period that includes July 1, 2017 all employees shall contribute an additional 0.25% of salary towards medical.
5. The total medical contribution will be 1% over the term of the Memorandum of Understanding.
6. The employee medical deductions shall not occur in the paycheck in which Union dues are withdrawn.

18.02 - Group Dental Plan

A comprehensive dental care program is made available to eligible employees and their dependents under the District's Cafeteria Plan. Participation is mandatory for the employee and all eligible dependents.

The District will contract with a dental insurance carrier to provide a Dental PPO option. The current monthly premium costs will be paid by the District for both the employee and his/her eligible dependents, and become part of the monthly flex dollar allowance available to eligible employees under the District's Cafeteria Plan.

Premium increases for the duration of this Agreement will be borne by the District.

Dental benefits will be paid in accordance with the provisions of the dental carrier's insurance policy. The District agrees to maintain the current scope and level of benefit or seek mutually acceptable alternatives with the Union for the duration of this Agreement.

18.03 - Group Vision Care Plan

The District will continue to provide a vision plan for eligible employees and their dependents. The current monthly vision premium costs will be paid by the District for both the employee and his/her eligible dependents, and become part of the monthly flex dollar allowance available to eligible employees under the District's Cafeteria Plan. Participation is mandatory for the employee and all eligible dependents.

Premium increases for the duration of this Agreement will be borne by the District.

The District agrees to maintain the current scope and level of benefit or seek mutually acceptable alternatives with the Union for the duration of this Agreement.

18.04 - Group Term Life Insurance

The District shall pay for group term life insurance coverage for an eligible employee equal to the employee's annual base earnings, rounded up to the next \$1,000. The District will pay premiums for dependent life coverage, for all employees with eligible dependents. The dependent life insurance benefit shall be \$1,000 for an employee's spouse or state registered domestic partner and \$1,000 for each eligible dependent child of the employee.

The increase in group term life insurance premiums shall be borne by the District for the duration of this agreement. Benefits are paid in accordance with the provisions of the group term life insurance policy.