

School Committee
June 22, 2017

Health Insurance Working Group
Tentative Agreement Summary April 2017
Subject to ratification of all 8 Unions

1. Changes to Co-Pays Effective July 1, 2018

	Current	New
Office Visit	\$20	\$25
Hospitalization	\$200	\$300

Savings .27%

2. Implement Deductible \$250/\$750 Effective July 1, 2018

Individual plans will have a deductible of \$250. Family plans will have a deductible of \$250 per person in the family not to exceed a total of \$750 per family.

Savings: 3.5%

3. Changes to Prescription Co-Pays Effective July 1, 2019

	Current	New
Prescriptions (30 Day)	\$10/\$25/\$40	\$15/\$30/\$45
Prescriptions (90 Day Mail Order)	\$20/\$50/\$80	\$30/\$60/\$90

Savings 1%

4. Remove Master Health Plus

There are currently a total of 12 people subscribing to MHP – 1 Active and 11 retirees.

Savings will be difficult to estimate since it is such a small pool. Could save 10% of actual claims for the 11 subscribers plus some admin costs.

5. Implement Health Savings Account as an option for employees

\$1,500/\$3,000 Deductible

Savings: 18% premiums savings minus any district contribution towards the HSA

6. No further changes will be made to health insurance until after June 30, 2020

Health Insurance Co-Pays

Copayments:	Current Health Insurance Design	Increased Copayment Health Insurance Design	Decrement / Savings	
Office Visit	\$20	\$25	0.20%	Effective July 1, 2018
Deductible	\$0.00	\$250/\$750	3.50%	Effective July 1, 2018
Specialist Office Visit	\$35	\$35		
Preventative	\$0	\$0		
ER	\$100	\$100		
Hospital	\$200	\$300	0.07%	Effective July 1, 2018
Day Surgery	\$100	\$100		
Imaging	\$100	\$100		
RX 30 Day	\$10/\$25/\$40	\$15/\$30/\$45		Effective July 1, 2019
Mail Order RX	\$20/\$50/\$80	\$30/\$60/\$90	1%	Effective July 1, 2019
		Total:	4.77%	

Health Insurance Working Group Tentative Agreement Savings Estimates

ABRSD

Apr-17

HMOs	# of enrollments	Cost to Employee	Cost to ABRSD	TTL Monthly Cost
Individual Plans	211	\$213	\$640	\$853
Family Plans	408	\$515	\$1,544	\$2,059

per enrollment			Yearly TTL
Yearly Cost to Employee	Yearly Cost to ABRSD	Yearly HMO Cost	Yearly HMO Cost
\$2,558	\$7,675	\$10,234	\$10,234
\$6,178	\$18,533	\$24,710	\$24,710

Est TTL Yearly Cost Employees	Est TTL Yearly Cost ABRSD
\$ 539,822.40	\$ 1,619,467.20
\$ 2,520,460.80	\$ 7,561,382.40
\$ 3,060,283.20	\$ 9,180,849.60

3.77% Savir Schools 2018-2019 \$115,373 \$346,118

1% Savings Schools 2019-2020 \$30,603 \$91,808

Town of Acton

HMOs	# of enrollments	Cost to Employee	Cost to Town	TTL Monthly Cost
Individual Plans	59	\$213	\$640	\$853
Family Plans	119	\$515	\$1,544	\$2,059

per enrollment			Yearly TTL
Yearly Cost to Employee	Yearly Cost to ABRSD	Yearly HMO Cost	Yearly HMO Cost
\$2,558	\$7,675	\$10,234	\$10,234
\$6,178	\$18,533	\$24,710	\$24,710

Est TTL Yearly Cost Employees	Est TTL Yearly Cost ABRSD
\$ 150,945.60	\$ 452,836.80
\$ 735,134.40	\$ 2,205,403.20
\$ 886,080.00	\$ 2,658,240.00

3.77% Savir Town 2018-2019 \$33,405 \$100,216

1% Savings Town 2019-2020 \$8,861 \$26,582

*Employee savings are premium savings, but the savings will be offset by increased co-pays.

Employee	Town/School
Total School Savings	\$437,927
Total Town Savings	\$126,798
Total Savings	\$564,725

MEMORANDUM OF AGREEMENT
BETWEEN
THE TOWN OF ACTON AND
ACTON BOXBOROUGH REGIONAL SCHOOL COMMITTEE
AND
TOWN OF ACTON EMPLOYEE UNIONS AND ACTON BOXBOROUGH
REGIONAL SCHOOL DISTRICT EMPLOYEE UNIONS

WHEREAS, the Town of Acton and the Acton Boxborough Regional School Committee (the "Employers") are public employers as defined in G.L. c.150E providing certain health insurance coverage to its subscribers (i.e., employees, retirees, surviving spouses and dependents); and

WHEREAS, all individual bargaining units (MassCops Local 380, Acton Police Patrol Officers Association, Acton Permanent Firefighters Local #1904, International Brotherhood of Teamsters Local 25, and AFSCME Council #93, Local 1703) of the Town of Acton and all bargaining units (Acton-Boxborough Education Association, Acton-Boxborough Office Support Association and AFSCME Council #93, Local 1703) with members employed by the Acton Boxborough Regional School District have nominated authorized representatives to meet and negotiate with representatives of the Employers, with respect to health insurance coverage; and

WHEREAS, the Employers and the authorized Union representatives (collectively, the "parties") have met and concluded negotiations regarding health insurance benefits for the Employers' subscribers for the two year time period from July 1, 2018 to June 30, 2020; and

WHEREAS, it is the express intent of the parties to create an enforceable, durable, binding agreement for the duration stated herein, subject to the conditions set forth herein.

WHEREAS, the parties agree that all current collective bargaining agreements, and any successor collective bargaining agreements negotiated between any of the Employers and individual bargaining units shall continue in full force and effect, except as expressly modified by this MOA;

NOW, THEREFORE, the parties agree as follows:

1. Effective Date of Agreement:

The terms of this Agreement shall control the terms of health insurance as provided by the Employers to the subscribers referenced above. The Agreement shall be effective only upon ratification and approval by all of the bargaining units of its terms and approval by Steven L. Ledoux, Town Manager of the Town of Acton and the Acton Boxborough Regional School Committee. The Agreement shall be null and void and have no force and effect if all bargaining units and each Employer fail to ratify, approve and execute the Agreement by June 30, 2017.

2. Authority to Negotiate and Amend Collective Bargaining Agreement:

The representatives of the individual bargaining units have been authorized by their respective units to represent and negotiate changes, additions, deletions and amendments to health insurance coverage in all aspects and to the extent that there is any inconsistency between the terms of this Agreement, concerning the various health insurance plans being offered by the Employers and/ or plan design changes within the various plans, and any collective bargaining agreement the terms of this Agreement shall prevail and be deemed to be an amendment to the collective bargaining agreement. The parties agree any collective bargaining agreement negotiated after the effective date of this agreement covering the period through June 30, 2020 shall be superseded by this Agreement.

3. Health Insurance Plan Changes:

The health insurance premiums and co-pays shall remain the same for the period of July 1, 2016 through June 30, 2018 for active employee subscribers.

Effective July 1, 2018,

- i) Master Health Plus shall no longer be offered as a plan by the Employers.
- ii) The Health Plans offered by the Employers will have a deductible of \$250 for individuals and \$750 deductible for family. Under the \$750 family deductible, no individual family member will exceed more than a \$250

deductible.

- iii) The Employers shall offer a high deductible Health Savings Account (HSA) plan. The deductible will be \$1500 for individual and \$3000 for family.

4. Plan Design Changes:

Effective July 1, 2018 the following plan design changes shall be implemented for all subscribers and for all plans:

Copayments:

Office Visit Co-Pay \$25 (OT, PT and Chiropractor will be considered an office visit)

Specialist Office Visit \$35

Preventative Care \$0

ER \$100

Hospital \$300

Day Surgery \$100

High Tech Imaging \$100 (CAT/CT/PET Scans/MRI)

Effective July 1, 2019 the additional changes will be implemented:

Rx \$15/\$30/\$45 for 30 Days

Rx \$30/\$60/\$90 for 90 Days

The above copayments shall remain in effect through June 30, 2020.

- 5. **Signatories:** All signatories hereby affirm that they are authorized to bind their principals and the Union representatives affirm by executing this Agreement that their respective collective bargaining unit has ratified this Agreement.

IN WITNESS WHEREOF the parties have set their hands and seals this _____ day of _____, 2017.

TOWN OF ACTON
TOWN MANAGER

Steven L. Ledoux

ACTON-BOXBOROUGH
REGIONAL
SCHOOL COMMITTEE

Mary F. Bolin
ABRSC Chair

Angela
Negotiations Subcommittee

Mae E. Ryland
Negotiations Subcommittee

Paul W.
Negotiations Subcommittee

TOWN OF ACTON
EMPLOYEE UNIONS:

James Cogan
Mass Cops Local 380

Keith Campbell
Acton Police Patrol Officers Association

Roger Wallace
IBT, Local 25

James Kissane
Acton Permanent Firefighters, Local 1904

Joseph Borey
AFSCME Council #93, Local 1703

ACTON-BOXBOROUGH REGIONAL
SCHOOL DISTRICT UNIONS

Joyce Kelly
Joyce Kelly
Acton-Boxborough Education Association

Ruth Cvitkovich
Ruth Cvitkovich
Acton-Boxborough Office Support
Association

Henry Morris
Henry Morris
AFSCME, Council #93, Local 1703