

Memorandum of Understanding

The Peninsula School District and Public School Employees of Washington – Mechanics Unit agree to the following provisions in order to make a good faith effort to comply with 2012 Washington Laws Ch. 3 (ESSB 5940).

1. The provisions of this Memorandum of Agreement (MOU) shall supplement the provisions of the current collective bargaining agreement (CBA), all of which shall remain in full force and effect. If any provision of this MOU conflicts with the current CBA, the provisions of this MOU shall prevail. Any dispute regarding the interpretation or proper implementation of this Memorandum shall be subject to the grievance procedures of the current CBA.

2. The District shall ask an insurance broker to procure premium quotes for health benefit plans that meet the responsible contracting standards of ESSB 5940 and to document the approach for procuring such quotes. The quotes to be procured and plans offered shall include:
 - (a) at least one qualified high-deductible health plan (HDHP) and health savings account (HSA);
 - (b) at least one health benefit plan in which the employee share of the premium cost of a full-time employee, regardless of whether the employee chooses employee-only coverage or coverage that includes dependents, does not exceed the premium cost paid by state employees during the 2014 state employee benefits year; and
 - (c) health plans that promote health care innovations and cost savings, and significantly reduce administrative costs.

The quotes procured by the broker shall be reviewed and the choice of plans offered shall be made using the same procedure for selecting health plans as was used in the 2014-15 school year.

3. To ensure employees selecting richer benefit plans pay the higher premium, and make progress toward the 3:1 ratio goal of full-family to employee-only coverage premiums in ESSB 5940, each employee included in the pooling arrangement within the CBA who elects medical benefit coverage shall pay a minimum out-of-pocket charge by monthly payroll deduction. The minimum monthly charge shall be 1% of the employee-only coverage premium for the plan chosen by the employee. Such minimum monthly charge shall be paid regardless of the impact of pooling and the monthly charge shall be included into the pool for distribution.

4. The parties shall abide by state laws relating to school district employee benefits, and this MOU shall be construed consistent with such laws.

5. Upon request of the Association, the District will provide accounting of the pooling distribution.

5. This MOU shall be effective for the 2014-15 school year. The parties shall meet prior to May 1, 2015, to discuss whether to renew or amend this MOU for another year.

/S/ Karen Andersen
Peninsula School District

/S/ William Fors
PSE of Peninsula - Mechanics

11/5/14
Date

11/14/14
Date