

RESOLUTION No. 5522

Memorandum of Agreement with Portland Association of Teachers

RECITALS

Pursuant to the ORS 332.075(3) and the Public Employee Collective Bargaining Act, (ORS 243.650-243.782), a tentative agreement has been reached between Multnomah County School District #1J (District) and Portland Association of Teachers (PAT) and is recommended to the District's Board of Education for its consideration and approval.

- A. The PAT benefit plans, for both current employees and retirees, are in grandfather status under the Affordable Care Act (ACA).
- B. The parties want to move the plans into compliance with the ACA, ending the grandfather status, to ease administration and provide conformance with other plans in the School District #1J Health and Welfare Trust Fund.
- C. The cost of the plans for PAT is approximately \$50,000,000 a year. The cost estimate for the recommended agreement is just over \$160,000.
- D. The new plan year for PAT benefit plans is effective January 1, 2018.
- E. The parties have engaged in bargaining and reached the attached Memorandum of Agreement, subject to the approval of the Board.

RESOLUTION

The Board approves the recommended agreement reflected in Attachment A.

L. Cusack

CERTIFIED TO BE A TRUE AND
CORRECT COPY OF THE ORIGINAL
ADOPTED BY THE PORTLAND PUBLIC
SCHOOLS BOARD OF EDUCATION ON
OCTOBER 3, 2017

PORTLAND PUBLIC SCHOOLS
BOARD CLERK

Cecilia A. Huggins

EXHIBIT "A" TO RESOLUTION 5522

Human Resources
501 N Dixon Street • Portland, OR 97227
503-916-3544 • Fax: 503-916-3107

MEMORANDUM OF AGREEMENT
between
Portland Public Schools
And
Portland Association of Teachers
ACA compliance

Background:

1. The Portland Association of Teachers (PAT) regular and substitute benefit plans, for both current employees (regular and substitute) and retirees, are in Grandfather status under the Affordable Care Act (ACA).
2. The parties want to move the plans into compliance with the ACA and end the grandfather status.
3. The cost of the plans for PAT is approximately \$50,000,000 a year
4. The total cost estimate is just over \$160,000. The consultant has said, that this increase could easily be less due to preventative care additions and conservative (high) estimates on new benefits without any history.

Agreement:

1. The parties agree to the attached changes to the PAT trust plans effective with the January 1, 2018 plan year.
2. It is the understanding of the parties that these changes will move all the PAT current employee (regular and substitute) and retiree plans into compliance with the ACA.
3. This agreement will not take effect unless the District Board of Director agrees to ratify the additional expense.

FOR THE DISTRICT

By: Laird Cusack 9/28/17
Laird Cusack Date
Sr. Director Employee and Labor Relations

By: Stephanie Harper 9.28.17
Stephanie Harper OSB #952091 Date
Interim General Counsel 901

FOR PAT

By: Marty Pavlik 09/25/17
Marty Pavlik Date
PAT UniServ

By: John Berkey 9/28/17
John Berkey Date
PAT UniServ

Plan Provision	Benefit Modification Description
Regence	
Preferred Provider (FTPT O1)	
Coinsurance Max	Out of pocket Maximum (OOPM) All copays, deductible, coinsurance, and pharmacy cost shares accrue to the out of pocket maximum.
Deductibles	Accrues to the OOPM
Hearing Aids	Dollar limits removed
Preventive Care	100%/100%/70%
Indemnity (PT O2)	
Coinsurance Max	Out of pocket Maximum (OOPM) All copays, deductible, coinsurance, and pharmacy cost shares accrue to the out of pocket maximum.
Deductibles	Accrues to the OOPM
Hearing Aids	Dollar limits removed
Providence Health Plan	
All Plans	
Alternative Care Providence Health Plan	Add acupuncture (\$10/20 Visit Limit)
Caremark	
Prescription out of pocket	\$2200 individual / \$4400 family out-of-pocket max
Kaiser	
All Plans	
Prescription Medications	Accrues to the OOPM
Prescription Medications	Immunosuppressive Rx Moves to \$5 copayment

lc
9/28/17

MP
09/28/17

JB
9/28/17