

Memorandum of Understanding

Between

Federal Way Public Schools

And

Federal Way Education Association

December 9, 2019

With the transition to the School Employee Benefits Board (SEBB) for insurance, the parties have developed the following shared understanding of the rules and impacts of state law and Health Care Authority (HCA) regulations:

Sections 14.2, 14.5, and 15.4.K of the FWEA Collective Bargaining Agreement (CBA) and Sections 13.1, 15.4, and 22.1 of the FWEA-ESP CBA shall expire December 31, 2019. Effective January 1, 2020, the District shall make available to all eligible employees the mandatory and optional group insurance programs offered by the School Employees Benefits Board (SEBB) under the rules and regulations adopted by SEBB. In addition, the parties have a shared understanding of the following rules and applications, paragraphs 2-7 of which are exclusively within the jurisdiction of, and may be changed by, the SEBB:

1. **December Premium Payment** - Monthly medical insurance premium deductions will be made in accordance with the CBA through November of 2019 with current coverage expiring on December 31, 2019.
2. **SEBB Benefits** - Benefits offered by SEBB currently include, but are not limited to, medical, dental, vision, long-term disability, life insurance, a Medical Flexible Spending Arrangement (FSA) and a Dependent Care Assistance Program (DCAP). Employees will also have the option of enrolling in a Health Savings Account (HSA) when a qualifying High Deductible Health Plan (HDHP) is selected for medical insurance.
3. **Eligibility** - Employees shall be eligible for full insurance coverage under the SEBB program if they work, or are anticipated to work, 630 hours or more in a school year. All hours worked during the school year shall count for purposes of establishing eligibility. Except for paid holiday hours, paid leave hours shall count towards eligibility for benefits under this section. Employees who are hired late in the year but are anticipated to work 630 hours or more the following year are eligible for coverage under conditions defined by the SEBB, as codified in WAC 182-31.
4. **Benefit Enrollment/Start** - Benefit coverage for new employees will begin the first day of the month following the first day of work when it is expected that the employee will work 630 hours annually), except during the month of September when the employee's benefit coverage will begin in September if the employee is expected to work 630 hours or more during the school year and that employee begins on or before the first day of school in September.

5. **Continuity of Coverage** – When a new employee to the district was previously employed by a SEBB employer and was eligible for SEBB coverage, that employee will have uninterrupted benefit coverage if they are anticipated to work 630 hours or more in the school year with the new employer. If an employee was not anticipated to work 630 hours, in a school year but meets that eligibility criteria during the school year, the employee will become eligible for SEBB benefits and will begin coverage in the month following this establishment of eligibility.
  
6. **Effective Date of Resignations** - When an employee eligible for SEBB benefits separates from employment after completion of the employee’s full school-year contract obligations, the separation will be effective August 31 unless the employee terminates the employment relationship with a specific earlier date. In this case, eligibility for the employer contribution ends the last day of the month in which the school employee's resignation is effective. Employees who are retiring may wish to check with Department of Retirement Systems (DRS) and/or Health Care Authority (HCA) to explore impacts of retirement dates.
  
7. **Declining Coverage** – An employee may decline medical coverage through the SEBB within the required SEBB timelines, and following SEBB protocols, and therefore not have any payments or premiums deducted from their paychecks for this purpose.
  
8. **Appeals** – Eligibility, enrollment, and surcharge decisions, including those described in paragraphs two through seven of this document, may be appealed through the process described in Chapter 182-32 WAC, not the grievance procedure of the collective bargaining agreements between the District and FWEA, unless the remedy provided by the SEBB administrative appeal process does not fully compensate the employee for reasonable out of pocket costs resulting from the incorrect eligibility, enrollment, and surcharge decision.
  
9. **Compliance and Legislative Changes** – All provisions of the implementation of these understandings shall be interpreted and applied consistent with the rules and regulations of SEBB. If the Washington State Legislatures changes provisions of the SEBB to allow for changes in employer contributions towards elective benefits, or substantially changes the medical coverage provisions, either party may initiate a reconvening to align shared understandings with current regulations.

  
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 For Federal Way Education Association (FWEA)

Dec 11/2019  
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 Date

  
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 For Federal Way Public Schools (District)

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 Date