

**REVIEW OF NEW COLLECTIVE
BARGAINING AGREEMENT BETWEEN
THE BRIDGEPORT BOARD OF
EDUCATION AND THE BRIDGEPORT
EDUCATION ASSOCIATION
JULY 1, 2014 THROUGH JUNE 30, 2017**

**BRIDGEPORT EDUCATION
ASSOCIATION**

BEA NEGOTIATING COMMITTEE

- Carmella Lorusso, Co-Chair, Tisdale School
- Rob Traber, Co-Chair, Blackham School
- Gary Peluchette, Winthrop School
- Joe Degroate, Central HS
- Cathy Miranti, Johnson School
- Tiffany Ladson-Lang, Discovery Magnet
- Roger Daigle, Tisdale School
- Mike Brosnan, Harding HS
- Jen Kelemen, Madison School
- Mike Brady, UniServ Representative, CEA

BOARD LANGUAGE PROPOSALS

WHAT THEY WANTED(The Short Version)

- × **190 day work year and 7.5 hour day, no additional pay**
- × **Eliminate Longevity**
- × **Harsh and restrictive attendance policy in the contract**
- × **Limit sick leave accumulation to 150 days and eliminate sick leave buy-out on retirement**
- × **Eliminate perfect attendance days**
- × **Eliminate 3 of 4 personal days**
- × **Amend class size language to calculate class size by average daily attendance**
- × **Eliminating guaranteed preparation periods**
- × **Mandatory open house and back to school nights**
- × **Professional Attire language in the contract**
- × **Different insurance cost share for new hires**
- × **Eliminate retiree health insurance**

LANGUAGE CHANGES

What We Agreed

- ✓ **Email notification and electronic posting of vacancies and new positions**
- ✓ **Mandatory direct deposit for all teachers**
- ✓ **Salary agreements to be send via email, not hard copy**
- ✓ **Eliminate Ph.D. stipend for new hires**
- ✓ **Job descriptions available electronically on website only**
- ✓ **Clarifying language on insurance premium for teachers on general leave of absence and clarification of proper titles of parent and advisory councils**

HEALTH INSURANCE CHANGES

**High Deductible Health Plan
(HDHP)**

**With A Health Savings Account
(HSA)**

Primary Plan

HEALTH INSURANCE CHANGES

- Same network of doctors
- Same coverage
- Cigna remains the plan administrator

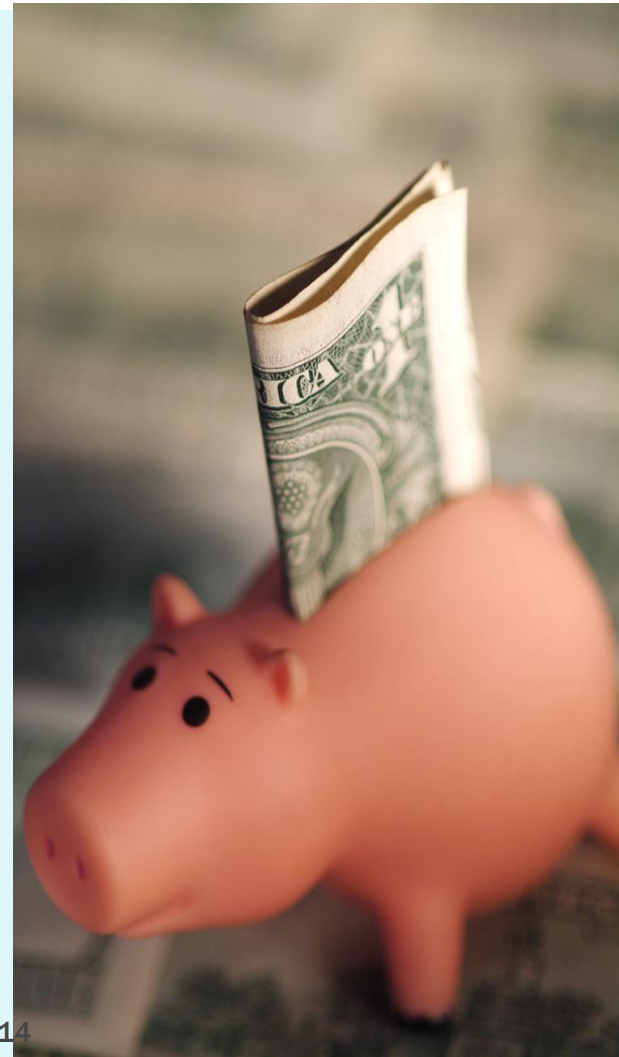
- Different way to pay for the plan
- The Plan will save teachers money
- The lower premium resulted in higher salaries.

PLAN BASICS



BACKGROUND

- Created as a way to help with rising health care costs
 - Offer tax advantages for medical expenses
 - Provide HSA owners with control of where dollars are being spent
 - HSA owners are generally more interested in how funds are being spent when they own the account
 - Lower Premium Costs-will help avoid penalty tax 2018-Obamacare
- 140 School Districts Have HDHP
 - Must Negotiate Not Arbitrate



BACKGROUND

- **Intent of high-deductible health plans and HSA**
 - **Improved version of FSA with retirement savings feature**
 - **Allows unspent funds to roll over every year**
 - **Employers are not required, but are able to contribute**
 - **Account earns interest and offers investment options**
 - **Account goes with you if you leave Bridgeport**
 - **Able to save funds for retirement medical expenses, including premiums**
 - **All funds into HSA are pre-tax and remain tax free if spent on qualified medical benefits**

HDHP BASICS

High Deductible Health Plan (HDHP)

Out-of-Pocket Maximum

Deductible

Preventive Care

■ High-Deductible Health Plan

- Lower premiums compared to more traditional health plans
- Higher deductible on medical expenses in a calendar year
- Includes both medical and prescription costs
- 100% coverage with in-network providers for preventive care

HDHP BASICS

High Deductible
Health Plan
(HDHP)

Out-of-
Pocket
Maximum

Deductible

Preventive
Care

■ Deductible Phase:

- You pay 100% of all eligible expenses up to the plan's annual deductible.
- Non-preventive medical visits and services as well as RX at Insurance companies **NEGOTIATED RATES**

2014-2017 Deductible

	In-Network	Out-of-Network
BEA HDHP/HSA	\$2000 single \$4,000 family	70% co pay out of network after deductible with 4k/8k max out of pocket

HDHP BASICS

AFTER MEETING DEDUCTIBLE

**Health CARE Costs
Covered by the Plan are
Covered at 100%**

High Deductible
Health Plan
(HDHP)

Out-of-
Pocket
Maximum

Deductible

Preventive
Care

HSA BASICS

- A bank account – called a health savings account (HSA)
- Offers tax advantages and allows savings to build over time
- Available with high deductible health plans only

Health Savings
Account (HSA)

Withdrawals

Account
Management

Contributions

HSA BASICS

○ HSA Contributions

- Contributions are deposited pre-tax
- Employees can contribute (and realize tax advantages) more than their deductible share. Total contribution up to federal maximum of \$3300 per individual and \$6550 per family
- Age 55 or older any time during 2014, eligible to contribute an additional \$1,000
- Update contributions any time during year
- Option to contribute after-tax

Health Savings
Account (HSA)

Withdrawals

Account
Management

Contributions

HSA BASICS

○ HSA Funds

- Remaining funds in account roll over every year, never lose contributions
 - **Even if you separate or retire**
- Funds earn interest and grow tax-free with investment options available once minimum balance is met
 - **Potential for long-term, tax-free savings**
- No limit on account balance
- Funds available to beneficiary in the event of death

Health Savings
Account (HSA)

Withdrawals

Account
Management

Contributions

HSA BASICS

○ HSA Withdrawals

- Funds never taxed when used for eligible expenses such as:
 - **Medical (e.g. doctor visit, hospital stay)**
 - **Prescription and Over-the-counter drugs (with doctor's prescription)**
 - **Vision (e.g. contacts, glasses)**
 - **Dental (e.g. fillings, braces)**
- Age 65 or older able to pay tax and withdraw funds with no tax penalty for any reason

Health Savings
Account (HSA)

Withdrawals

Account
Management

Contributions

HSA BASICS

○ HSA Withdrawals

- Flexibility to pay expenses from HSA or pay out-of-pocket and reimburse yourself
- Use funds for you, your spouse, and your tax dependents, even if you cover only yourself
- Keep your receipts for expenses

Health Savings
Account (HSA)

Withdrawals

**Account
Management**

Contributions

HSA BASICS

- **HSA Contribution** Bridgeport Board of Ed contributes, and you have the option to contribute to the same account or more

2014 HSA			
	IRS Contribution Limit	Board of Ed Contributions	Remaining Employee Contribution Allowed
Employee	\$3,300	\$1,000	\$2,300
Family	\$6,550	\$2,000	\$4,550

General Membership Meeting February 10, 2014

Health Savings Account (HSA)

Withdrawals

Account Management

Contributions

DISBURSEMENTS FROM YOUR HSA

- You can access HSA funds through a debit card or checkbook that will be provided
- For medical care, you will receive an explanation of benefits form (EOB) and then you will make payment
- For prescriptions, you will have to pay at the point of service, most commonly this is done through a debit card associated with the account
- You do not have to use HSA funds for medical care, this allows you to rollover the maximum amount into the next year
- You can spend HSA funds on qualified medical expenses that are not covered by the plan (see handout for current 2014 allowable items)

WHY SWITCH TO HDHP/HSA

Premiums Increase at outrageous rates

- Projected Premiums for PPO

2014-2015 Family \$27,369

2015-2016 Family \$29,832

2016-2017 Family **\$32,517**

HDHP Premiums are Less Costly and Rise at a Slower rate

- Projected Premiums for HDHP

2014-2015 Family \$21,984

2015-2016 Family \$23,303

2016-2017 Family \$24,701

WHY SWITCH (CONT)?

PPO Cost to Teacher Increase Dramatically

- The cost to a teacher for family plan insurance has risen from \$2400 in 2010-2011 to \$4300 this year
- This will continue to increase
- Board Proposal was to start at 25% PCS. Best case scenario we would have went to 18%, 19% and 20% PPO premium cost share
- Co pays for procedures and Rx would also have gone up

HDHP Cost share Will be Significantly Lower

- The lower premium cost of the HDHP and the lower premium cost share lead to lower out of pocket costs to teachers

SAVINGS SHOULD INCREASE YEAR TO YEAR

YEAR	CLASS	PREMIUM	PCS	TCH cost	Avg Copays	Low User	Avg Copays	High User
YEAR	CLASS	PREMIUM	PCS	TCH cost	LOW USER	TOTAL	HIGH USER	TOTAL
2014-2015	Family	\$27,369	18	4927	1094	6021	2189	7116
2015-2016	Family	\$29,832	19	5668	1193	6861	2386	8054
2016-2017	Family	\$32,517	20	6503	1301	7804	2601	9104
							Projected	
YEAR	CLASS	PREMIUM	PCS	TCHR COST	TCHR Dedtb	Max Cost	PPO Cost Range	
2014-2015	Family	\$21,984	17	3737	2000	5737	6021-7116	
2015-2016	Family	\$23,303	18	4194	2000	6194	6861-8054	
2016-2017	Family	\$24,701	19	4693	2000	6493	7804-9104	

SALARY INCREASES

- **2014-2015 Step Movement Plus
1.5 % increase to Max**
- **2015-2016 Steps 1-13 Receive 1%
General Wage Increase (no step)
Plus 2.3% Increase to Max**
- **2016-2017 Step Movement Plus
1.5% Increase to Max**

COST OF INCREASE

■ Current salary account total	=	\$101,690,801
■ 2014-2015 salary account total	=	\$106,026,364
■ 2015-2016 salary account total	=	\$107,887,226
■ 2016-2017 salary account total	=	\$111,436,589
■ Total \$\$ Increase	=	\$9,746,788

SALARY BREAKDOWN BA LANE

<u>9/2013 Salary/Step</u>	<u>2/2014 Salary/Step</u>	<u>7/2014 Salary/Step</u>	<u>7/2015 Salary/Step</u>	<u>7/2016 salary/Step</u>	<u>\$ incr</u>	<u>% incr</u>	<u># of tchrs</u>
42,428 (BA 2)	43,664 (BA 3)	44,899 (BA 4)	45,348 (BA 4)	47,222 (BA 5)	3558	8.1	28
43,664 (BA 3)	44,899 (BA 4)	46,754 (BA 5)	47,222 (BA 5)	48,677 (BA 6)	3768	8.4	57
44,899 (BA 4)	46,754 (BA 5)	48,195 (BA 6)	48,677 (BA 6)	50,341 (BA 7)	3587	7.7	11
46,754 (BA 5)	48,195 (BA 6)	49,843 (BA 7)	50,341 (BA 7)	52,005 (BA 8)	3810	7.9	26
48,195 (BA 6)	49,843 (BA 7)	51,490 (BA 8)	52,005 (BA 8)	53,669 (BA 9)	3826	7.7	9
49,843 (BA 7)	51,490 (BA 8)	53,138 (BA 9)	53,669 (BA 9)	55,334 (BA 10)	3844	7.5	8
51,490 (BA 8)	53,138 (BA 9)	54,786 (BA 10)	55,334 (BA 10)	56,998 (BA 11)	3860	7.3	6
53,138 (BA 9)	54,786 (BA 10)	56,434 (BA 11)	56,998 (BA 11)	58,828 (BA 12)	4042	7.4	4
54,786 (BA 10)	56,434 (BA 11)	58,246 (BA 12)	58,828 (BA 12)	62,992 (BA 13)	6558	11.6	4
56,434 (BA 11)	58,246 (BA 12)	62,368 (BA 13)	62,992 (BA 13)	70,075 (BA 14)	11829	20.3	2
58,246 (BA 12)	62,368 (BA 13)	67,487 (BA 14)	69,040 (BA 14)	70,075 (BA 14)	7707	12.4	1
62,368 (BA 13)	66,490 (BA 14)	67,487 (BA 14)	69,040 (BA 14)	70,075 (BA 14)	3585	5.4	0
66,490 (BA 14)	66,490 (BA 14)	67,487 (BA 14)	69,040 (BA 14)	70,075 (BA 14)	3585	5.4	4

General Membership Meeting February 10, 2014

SALARY BREAKDOWN MA LANE

<u>9/2013 Salary/Step</u>	<u>2/2014 Salary/Step</u>	<u>7/2014 Salary/Step</u>	<u>7/2015 Salary/Step</u>	<u>7/2016 salary/Step</u>	<u>\$ incr</u>	<u>% incr</u>	<u># of tchrs</u>
43,664 (MA 2)	44,899 (MA 3)	46,136 (MA 4)	46,597 (MA 4)	48,885 (MA 5)	3986	8.9	8
44,899 (MA 3)	46,136 (MA 4)	48,401 (MA 5)	48,885 (MA 5)	51,174 (MA 6)	5038	10.9	77
46,136 (MA 4)	48,401 (MA 5)	50,667 (MA 6)	51,174 (MA 6)	53,196 (MA 7)	4795	10	36
48,401 (MA 5)	50,667 (MA 6)	52,669 (MA 7)	53,196 (MA 7)	55,472 (MA 8)	4805	9.5	58
50,667 (MA 6)	52,669 (MA 7)	54,923 (MA 8)	55,472 (MA 8)	58,371 (MA 9)	5702	10.8	46
52,669 (MA 7)	54,923 (MA 8)	57,793 (MA 9)	58,371 (MA 9)	61,269 (MA 10)	6346	11.6	56
54,923 (MA 8)	57,793 (MA 9)	60,662 (MA 10)	61,269 (MA 10)	64,165 (MA 11)	6372	11	45
57,793 (MA 9)	60,662 (MA 10)	63,530 (MA 11)	64,165 (MA 11)	67,063 (MA 12)	6401	10.6	40
60,662 (MA 10)	63,530 (MA 11)	66,399 (MA 12)	67,063 (MA 12)	72,693 (MA 13)	9163	14.3	23
63,530 (MA 11)	66,399 (MA 12)	71,973 (MA 13)	72,693 (MA 13)	81,727 (MA 14)	15328	23	36
66,399 (MA 12)	71,973 (MA 13)	78,709 (MA 14)	80,520 (MA 14)	81,727 (MA 14)	9754	13.5	28
71,973 (MA 13)	77,546 (MA 14)	78,709 (MA 14)	80,520 (MA 14)	81,727 (MA 14)	4181	5.4	0
77,546 (MA 14)	77,546 (MA 14)	78,709 (MA 14)	80,520 (MA 14)	81,727 (MA 14)	4181	5.4	202

SALARY BREAKDOWN 6TH YEAR LANE

<u>9/2013 Salary/Step</u>	<u>2/2014 Salary/Step</u>	<u>7/2014 Salary/Step</u>	<u>7/2015 Salary/Step</u>	<u>7/2016 salary/Step</u>	<u>\$ incr</u>	<u>% incr</u>	<u># of tchrs</u>
44,076 (6th 2)	45,311 (6th 3)	46,548 (6th 4)	47,013 (6th 4)	49,925 (6th 5)	4614	10.2	0
45,311 (6th 3)	46,548 (6th 4)	49,431 (6th 5)	49,925 (6th 5)	52,837 (6th 6)	6289	13.5	12
46,548 (6th 4)	49,431 (6th 5)	52,314 (6th 6)	52,837 (6th 6)	55,058 (6th 7)	5627	11.3	10
49,431 (6th 5)	52,314 (6th 6)	54,513 (6th 7)	55,058 (6th 7)	57,956 (6th 8)	5642	10.8	17
52,314 (6th 6)	54,513 (6th 7)	57,382 (6th 8)	57,956 (6th 8)	62,096 (6th 9)	7583	13.9	21
54,513 (6th 7)	57,382 (6th 8)	61,481 (6th 9)	62,096 (6th 9)	66,236 (6TH 10)	8854	15.5	13
57,382 (6th 8)	61,481 (6th 9)	65,580 (6th 10)	66,236 (6TH 10)	70,376 (6TH 11)	8895	14.5	39
61,481 (6th 9)	65,580 (6th 10)	69,679 (6th 11)	70,376 (6TH 11)	74,515 (6TH 12)	8935	13.6	33
65,580 (6th 10)	69,679 (6th 11)	73,777 (6th 12)	74,515 (6TH 12)	80,391 (6TH 13)	10712	15.4	23
69,679 (6th 11)	73,777 (6th 12)	79,595 (6th 13)	80,391 (6TH 13)	90,018 (6TH 14)	16241	22	26
73,777 (6th 12)	79,595 (6th 13)	86,694 (6th 14)	88,688 (6TH 14)	90,018 (6TH 14)	10423	13.1	37
79,595 (6th 13)	85,413 (6th 14)	86,694 (6th 14)	88,688 (6TH 14)	90,018 (6TH 14)	4605	5.4	0
85,413 (6th 14)	85,413 (6th 14)	86,694 (6th 14)	88,688 (6TH 14)	90,018 (6TH 14)	4605	5.4	460

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