



The professional agreement includes six sections which alter the 2006-2008 Agreement... length of contract, salary, health insurance, extra standard, future salary schedule and editorial changes. All other contract sections remain in effect. There are no other “changes in language” except the change in dates, several editorial changes and the changes of the six sections listed above.

## **PROFESSIONAL AGREEMENT 2008-2009 AND 2009-2010**

### **Section 1.**

This is a two-year agreement with vertical movement each year.

### **Section 2. Salary**

Total Package Increase (Salary+Ext.Standard+Fringes+FICA/Ret) for 2008-2009	4.5%
Total Package Increase (Salary+Ext.Standard +Fringes+FICA/Ret) for 2009-2010	4.0%

**--> See attached salary schedules for 2008-2009 and 2009-2010.**

### **Section 3. Health Insurance**

For many years the Educators Health Alliance (EHA), a Blue Cross Blue Shield provider, offered members two premium choices (tiers): single and family. To best meet the needs of members, this coming year the statewide pool, EHA, which is owned by NSEA, the Administrators Association and the School Boards Association, is offering four tiers. The tiers are: employee; employee, spouse and children; employee and children; employee and spouse.

Here is a breakdown of how insurance premiums for \$300/\$600 deductible have been paid this year.

LPS contributions for 2007-2008 per month:	(LPS)	(Member out of pocket)
	<b><u>2007-2008</u></b>	<b><u>O-P</u></b>
Single	\$346.67	\$ 60.59
Family [Employee+Spouse+Child(ren)]	\$536.50	\$580.60

LEA members and the District were concerned that many of the children of LPS staff because of affordability were not being covered adequately by health insurance at the current LPS contribution rate.

Here is a breakdown of how insurance premiums for \$300/\$600 deductible will be paid under the new agreement with the new tiers from which members will need to select.



Proposed Health LPS Insurance contributions per month:

Tier	<u>2008-2009</u>	<u>O-P</u>	<u>2009-2010</u>	<u>O-P</u>
Employee	\$408.33	\$ 60.59	\$445.84	\$ 60.59
Employee+Spouse+Child(ren)	\$737.60	\$491.73	\$862.99	\$464.69
Employee+Child(ren)	\$509.95	\$339.96	\$596.64	\$321.27
Employee+Spouse	\$577.18	\$384.78	\$675.30	\$363.62

The estimated premium increase for 2009-2010 is 8%.

LPS will cover the entire premium increase for a single employee in 2008-2009 and 2009-2010.

LPS will cover the premium of other three tiers at 60% in 2008-2009 and 65% in 2009-2010. (LPS covered 48% of the premium in 2007-2008).

If a certificated employee takes the new option of Employee+Spouse+Child(ren) (the old “family” plan) for 2008-2009 and their spouse is also an employee of the school district who is eligible for the District EHA health insurance coverage, the District will make an additional \$370 per month contribution to the Employee+Spouse+Children premium provided the second spouse does not take a separate policy of their own. (Note: in 2009-2010 the additional monthly contribution will be \$345.00 per month. The difference is due to the fact that LPS will be increasing their amount over the initial benefit being paid in 2008-2009 for the Employee+Spouse+Children category.)

An LPS working couple without dependents should opt to take two single policies to receive the best benefit possible.

With the addition of the 4 Tiers, EHA will offer an open enrollment period during September, 2008. An open enrollment period is a significant opportunity for certificated employees to be covered by the EHA plan without having to go through medical underwriting. An open enrollment period allows a person with a pre-existing condition (i.e. diabetes, cancer, high blood pressure, etc.) to be covered by the EHA health insurance plan.

It is also important for members to know that a certificated employee must be in the EHA health insurance plan for five years before retirement if the retiring employee wants EHA health insurance coverage until they go onto Medicare after retirement.

**Section 4. Extra Standard Compensation**

Extra Standard compensation will increase by 2% each year of the contract. Staff members who will benefit from this include: those who have extra standard responsibilities (coaches, music, drama, speech, etc.), those who facilitate intramurals, those who are workshop participants (curriculum implementation, etc.), workshop leaders, team leaders, coordinators, or psychologists, and those who teach an optional period class.



**Section 5. Future Salary Schedules**

Both parties agree to study future salary schedules and how they compensate certificated employees. One objective of this study will be to find ways to address any inequities that currently exist in the salary schedule.

**Section 6. Editorial Changes**

There will be several editorial changes with this tentative agreement:

**Section 5-1.** The most significant change is the result of a new IRS regulation, specifically 409A. Currently, certificated employees have the option to receive their remaining three month (summer) salary in their June paycheck. Regulation 409A now will require a proper written election form that must be filed and received by the payroll department by July 15 prior to the school year to which the election applies **OR** prior to the first work day of the employees who are employed after July 15.

- It is important for certificated employees who wish to receive their summer payment for the 2009-2010 school year to complete this form before July 15, 2008, **this summer.**

**Section 5-2.** Employees are not required to notify the school district of outside employment, unless the teacher is also employed by another Nebraska school district or other employer which is under the Nebraska School Employee's Retirement System, such as an educational service unit. The two jobs added together may have implications for contributions to the retirement system.