

PAEA BUZZZ

OCT 2009

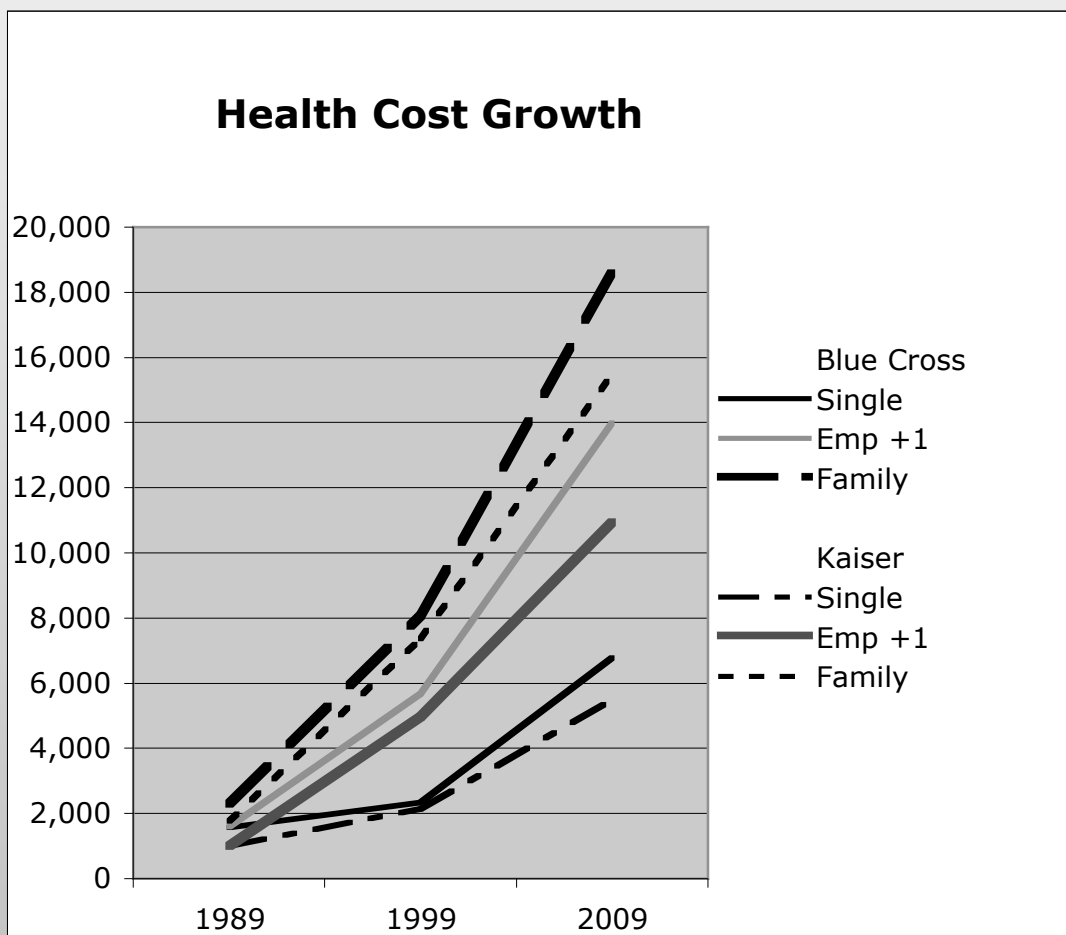
THE NEWSLETTER OF THE PALO ALTO EDUCATORS ASSOCIATION

NEGOTIATIONS

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HEALTH CARE, HEALTH CARE HEALTH CARE

We held negotiations on Aug. 19, Sept. 9, Sept. 18, Sept. 24 and Oct. 9. Most of the talk has focused on health benefits. As you heard, Kaiser premiums went up 8.15%, Blue Cross HMO went up 6.84%, Blue Cross PPO went up 30%. The cost to the district of the increases totals 1.2 million. In the absence of leadership from Washington D.C. on affordable health care we must do what we can to help our members get or keep adequate health insurance. This issue of the Buzzz presents information on the upward trend of our health care costs. These charts do not include the PPO costs as all premiums over the HMO rate are paid for by the employee.



What is Happening to Our Health Care?

During the past 20 years the costs for health care across our nation have skyrocketed. Take a look at our own yearly medical benefits costs over the last two decades.

1989 Annual costs

	Single	1 Dependent	Family
HMO	1577	1596	2291
Kaiser	993	993	1763

1999 Annual Costs

	Single	1 Dependent	Family
HMO	2343	5685	8078
Kaiser	2151	4961	7376

2009 Annual Costs

	Single	1 Dependent	Family
HMO	6771	13993	18624
Kaiser	5473	10947	15489

The percentage of the budget spent by the district on total salary and health benefits has remained fairly constant while the balance between the two has shifted.

District Expenditures for Total Salary and Health

	1989	1999	2009
Total General Fund	43,681,033	82,186,889	154,154,127
Total Compensation	33,559,968	61,929,726	119,586,248
Total Comp/ Gen.Fund	76.80%	75.40%	77.50%
Total Salaries	31,234,952	56,546,501	102,385,696
Salaries/ General Fund	71.5	68.8	66.4
Total Health	2,325,016	5,383,225	17,200,552
Health/General Fund	5.30%	6.50%	11.10%

DISCUSSION NEEDED

We need a discussion, amongst ourselves, regarding our policy as an Association and the way we want compensation dollars spent. Some things to consider are:

- For the past decade we have subsidized full coverage for part timers and dependents by allocating more money towards health insurance than the salary schedule. Do we want to reconsider the level of subsidization?
- We have usually increased co-pays as a means of holding the line on premiums and spreading the cost evenly. Do we continue this?
- As you can see on page 2 there is a \$13,000 difference per year between a Single Kaiser and a Family Blue Cross. Is it unreasonable to ask a family to contribute some amount per year towards their coverage to free up money for the salary schedule? If yes, what is a reasonable amount? \$1,000 - \$2,000 ?
- PAEA has 102 part time employees hired before 2004. This means that they receive fully paid benefits. Should we ask our part timers to pay some portion of the gap between employment % and the full cost of benefits? Is paying half of the difference reasonable? Is there some other answer?

Please share all of your thoughts or comments either with your site reps or me or both.

trionago@gmail.com

Early Warning for Early Retiree

Early Retirees (ER) receive full health coverage if they have been in the district for 20 full time years. The contract states, ***“the District will contribute the same amount to health and welfare benefits as though the unit member were an active member”*** however over the years since that language was written the cost of an ER’s health benefits is no longer the same as an Active Member’s. For example Blue Cross coverage for an ER plus dependent is \$19,005. Whereas it is \$13,993 for an active employee. That is \$5,000 more than an active employee. Folks considering early retirement should be aware of this discrepancy and plan as though the district will enforce the contract language in future years.

Sep. Rep Council Meeting will be held on Thursday 10/15 4:00–6:00 PM at Jordan Middle School.

Stop in to the meeting when it is at your site.

Site Reps for 09-10

Addison- Teri Baldwin	Barron Park Rusty Tooley	Briones Mary Goodkind Sue Garadis	Children's Hospital Kevin Danie	Duveneck Mangla Oza Grace Bunya	El Carmelo Diane McCoy
Escondido Richard Garcia Amanda Dungan	Fairmeadow Barbara Carlson Valerie Sabbag	Greendell Marion Krause	Hays Rachel Shepherd Kevin Rouse	Hoover Lonnie Spencer Peter Lee	Nixon Beryl Deremigio Janice Mulholland
Ohlone Kim Prescott Ashley McCrea	Palo Verde Matt Lindner Sheri Cundall	Traveling/Music BJ Floersheim	Traveling/PE Karen Dolkas	25 churchill open	
Terman Lynn Repetsky Mark Dungan Martin Vetter Tijen Sambul	JLS Julia Brown Tim Sato Linda Howard Hayley Dupuy Andrea Gruner	Jordan Elections being held at press time	Gunn G. Garger Ken Plough ROOM FOR MORE	PALY Eric Bloom Magdalena Rivera ROOM FOR MORE	

If you would like to be a Representative for your site contact Triona Gogarty. There are once a month meetings for which you receive a stipend. Each site can have more than one representative and rep. positions can be shared.

**Please send comments, suggestions or requests for the Buzzz to
Triona Gogarty - trionago@gmail.com**