

# PAEA BUZZZ

NOV 2009

THE NEWSLETTER OF THE PALO ALTO EDUCATORS ASSOCIATION

## HEALTH CARE

Last month I wrote about the costs of health care and the effect those costs have on our district's budget and our own pocket book. Over the past decade the cost of our medical insurance has risen an average of 240% while we simultaneously assumed larger co-pays to contain those costs.

I was asked at a recent staff meeting if the Association is doing anything about seeking health care reform. I hope that each one of us has written, phoned or emailed our legislators to voice our needs. An association is only as strong as its members are active. I have written to each of my representatives at the state or federal level. At the bottom of this page are two web sites which give you information on more organized efforts by CTA or the contact information for your representatives.

## DISCUSSIONS

PAEA needs information from its members on health care benefits in the coming months. I want to encourage open and respectful debates on our policies. The best compromises are those in which everyone gets and everyone gives something.

I was asked to provide some numbers to help with the discussions being held at sites about our health care policies. So in combination with October's Buzzz (online at paeacta.org) here are additional numbers for PAEA only:

	<b>Kaiser</b>	<b>HMO</b>
<b>Employee</b>	<b>80</b>	<b>191</b>
<b>EE + 1</b>	<b>54</b>	<b>127</b>
<b>Family</b>	<b>77</b>	<b>190</b>

<http://www.cta.org/issues/other/Health+Care+Issues.htm>

<http://capwiz.com/nea/ca/home/>

## **A History of Health Benefits:**

About 10 years ago and earlier the district allocated a set amount for health benefits for each employee. If an employee's benefits did not cost that amount then the employee received a check at the end of the year for the balance of the allocation. This was called, "cash back". The allocated money was enough to cover an employee but not a family. We had families without coverage and we lost teachers to industry or other careers because of this.

There was a decision made by membership to stop cash back. The amount of money spent by the district on health benefits would be used to cover each employee's health needs and not be used to provide stipends.

### **The Association goals in this area are:**

1. Cover health insurance needs
2. Keep costs low
3. Put savings on the salary schedule

### **Why should money go on the salary schedule instead of into cash back?**

Money paid out in a stipend is a one-time payment. Money put on the salary schedule has several positive long-term effects.

- It never goes down.
- It compounds as %age raises are added each year.
- It effects STRS pension payments.

Currently the district spends in one year for all employees \$17,000,000. This comes out to about \$12,200 per employee. However, \$12,200 does not cover families. The amount of money once given away as cash back is used to cover families.

### **Why have opt out stipends?**

Goal #2 - Keep costs low. Some employees can get coverage from another source. If the district is paying \$6,000 per year for health coverage for an individual and instead gives that individual \$2,500 who then gets their coverage elsewhere. The district saves \$3,500. The thought behind this stipend is that enough people will opt out for the district to realize significant savings and then those savings can be used to cover the next year's health benefits, which serves Goal #3 by freeing up ongoing revenue for the salary schedule.

### **Why are Co-pays increasing?**

Health insurance costs are out of control. As mentioned in October's Buzz the amount of money being spent on health coverage is exceeding 11% of the general fund this year. During the current economic crisis we are seeking to both cover health care and save jobs.

**Every \$80,000 dollars not going to Blue Cross or Kaiser can be thought of as a job saved in the next couple of years.**

## **Library News**

The Palo Alto Library Commission is looking for THREE volunteers to serve in unexpired terms. The Commission meets once a month and is responsible for advising the City Council on a variety of matters including reviewing budgets, receiving community input, commenting on fund raising efforts and more. If you wish to apply to serve on the committee contact the City of Palo Alto City Clerks Office at 650-329-2267 or [Ronna.Gonsalves@cityofpaloalto.org](mailto:Ronna.Gonsalves@cityofpaloalto.org). More information can be found at [www.cityofpaloalto.org](http://www.cityofpaloalto.org). Applications are due on November 20,2009

## **Flexible Spending Accounts**

This week you will receive a booklet from Sue Harris detailing information about our health care plans. The booklet contains lots of information on the Flexible Spending Accounts (FSA). **You must** open one of these to receive the \$200 in matching funds provided by the District to offset the increase in Co-pays. The maximum deduction is \$2,500 per year. This website has tons of information <http://www.payflex.com>

## **10,000 STEPS**

Did you know that over time, healthy behaviors like quitting tobacco, eating well and staying at a healthy weight can prevent 40% of all cancers? Don't wait until tomorrow, this weekend or the new year to start making positive changes for your health.

Step 1: Exercise for 30 minutes or more per day (NOTE: this can be broken up into small chunks of time) or **walk 10,000 steps per day**

Step 2: Eat 3-5 well balanced meals. Cook big meals on the weekend that you can divide up for weekday lunches and dinners when you are more pressed for time

When you go to the grocery store, try to avoid the aisles (most healthy food is on the outer walls of the supermarket. Exceptions: frozen fruits and veggies, grains, beans, nuts and seeds).

**Coming soon: A district PEDOMETER challenge that you won't want to miss, so dust off those walking shoes and start walking today so you are ready for the upcoming challenge.**

Allye Mullins [amullins@pausd.org](mailto:amullins@pausd.org)

**Nov. Rep Council Meeting** will be held on Thursday 11/19 4:00–6:00 PM at Gunn High School. Your hosts Gabriela Garger and Ken Plough.

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

**Site Reps for 09-10**

<b>Addison-</b> Teri Baldwin	<b>Barron Park</b> Rusty Tooley	<b>Briones</b> Mary Goodkind Sue Garadis	<b>Children's Hospital</b> Kevin Danie	<b>Duveneck</b> Mangla Oza Grace Bunya	<b>El Carmelo</b> Diane McCoy
<b>Escondido</b> Richard Garcia Amanda Dungan	<b>Fairmeadow</b> Barbara Carlson Valerie Sabbag	<b>Greendell</b> Marion Krause	<b>Hays</b> Rachel Shepherd Kevin Rouse	<b>Hoover</b> Lonnie Spencer Peter Lee	<b>Nixon</b> Beryl Deremigio Janice Mulholland
<b>Ohlone</b> Kim Prescott Ashley McCrea	<b>Palo Verde</b> Matt Lindner Sheri Cundall	<b>Traveling/Music</b> BJ Floersheim	<b>Traveling/PE</b> Karen Dolkas	<b>25 churchill</b>  <b>Room for one or a share</b>	
<b>Terman</b> Lynn Repetsky Mark Dungan Martin Vetter Tijen Sambul	<b>JLS</b> Julia Brown Hayley Dupuy Andrea Gruner Linda Howard Tom Kang Tim Sato	<b>Jordan</b> Keith Clarke Sarah Pierce Joleen Roach Mary Sano Maria Thomas	<b>Gunn</b> G. Garger Ken Plough ROOM FOR MORE	<b>PALY</b> 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](mailto:trionago@gmail.com)**

**Buzzz is posted online at [paeacta.org](http://paeacta.org)**