

## MEMORANDUM OF UNDERSTANDING ("MOU")

This Memorandum of Understanding ("MOU") is effective as of the 20th day of September, 2023, by and between the Cuyahoga Heights Local School District Board of Education ("Board") and the Cuyahoga Heights Association of Teachers ("CHAT").

WHEREAS, the Board and CHAT are parties to a Collective Bargaining Agreement ("CBA") in effect from August 1, 2021 through July 31, 2024; and

WHEREAS, the CBA addresses hours, wages, and terms and other conditions of employment; and

WHEREAS, Article XXX of the CBA addresses Fringe Benefits but does not currently provide an option for a high deductible plan with a health savings account;

WHEREAS, the Parties wish to amend Article XXX of the CBA by adding an option for a high deductible plan with a health savings account;

NOW, THEREFORE, it is the agreement of the parties as follows:

1. Article XXX of the CBA shall be amended by adding new subsection XXX(G) and the remainder of Article XXX shall remain unchanged.
2. Article XXX(G) shall read as follows:

G. "HSA Plan" High Deductible Health Plan ("HDHP") with a Health Savings Account ("HSA")

1. Eligible employees shall have the option of participating in a high deductible health plan ("HDHP") with a health savings account ("HSA"). An eligible employee selecting the HDHP with an HSA shall pay fifteen percent (15%) of the total premium cost as the employee contribution for this plan (single or family coverage). The deductible for the HDHP with a HSA will be no less than the IRS minimum annual deductible to qualify as an HDHP. This means that the deductible for the HDHP may be increased as necessary to comply with applicable law and regulations.
2. The HDHP shall be combined with a HSA with a Board-selected HSA administrator, and all such HSAs shall be made available in accordance with applicable HSA law and regulation. Covered employees (those eligible employees who select HSA Plan) who enroll may utilize the HSA in accordance with applicable law and regulation. At the employee's discretion, covered employees may make contributions to an HSA, up to the limit provided by law and regulation, by payroll deduction in accordance with rules established by the Treasurer's Office. HSA contributions limits are set annually by the IRS, and 2024 limits are \$4,150 for single only coverage and \$8,300 for family coverage (totals include what the Board also contributes). Those aged fifty-five (55) and older may contribute an additional \$1,000 as a catch-up contribution. These limits are subject to change under applicable rules and regulations. Additionally, the employee must be employed on the date of the distribution.
3. On behalf of each covered employee the Board will contribute ("employer contribution") seventy percent (70%) of the applicable In-Network calendar year deductible.

(i.e. if 2024 HSA In-Network calendar year deductible for single coverage is \$3,200 then  $\$3,200 \times 70\% = \$2,240$  employer contribution)

(i.e. if 2024 HSA In-Network calendar year deductible for family coverage is \$6,400 then  $\$6,400 \times 70\% = \$4,480$  employer contribution)

4. The employer contributions will occur as follows: 50% January 1<sup>st</sup>, 25% March 1<sup>st</sup>, 25% June 1<sup>st</sup>.

(i.e. 2024 employer contribution for single coverage of \$2,240 = \$1,120 January 1<sup>st</sup>, \$560 March 1<sup>st</sup>, \$560 June 1<sup>st</sup>)

(i.e. 2024 employer contribution for family coverage of \$4,480 = \$2,240 January 1<sup>st</sup>, \$1,120 March 1<sup>st</sup>, \$1,120 June 1<sup>st</sup>)

5. The employer contributions will be pro-rated for full & part-time employees. The pro-ration is according to hours worked. Full-time employees receive the full amount. Part-time employees enrolled in the single coverage receive \$200 less for each category of hours worked. Part-time employees enrolled in the family coverage receive \$400 less for each category of hours worked. And an employee who changes hours would have their pro-ration adjusted accordingly.

(i.e. 7-8 hrs/day or 35-40 hrs/week = 2024 HSA employer contribution \$2,240 single coverage / \$4,480 family coverage)

(i.e. 6-6.9 hrs/day or 30-34.9 hrs/week = 2024 HSA employer contribution \$2,040 single coverage / \$4,080 family coverage)

(i.e. 5-5.9 hrs/day or 25-29.9 hrs/week = 2024 HSA employer contribution \$1,840 single coverage / \$3,680 family coverage)

(i.e. 4-4.9 hrs/day or 20-24.9 hrs/week = 2024 HSA employer contribution \$1,640 single coverage / \$3,280 family coverage)

6. The HSA Plan year will run January 1 - December 31. HSA contributions are based upon a calendar year starting January 1<sup>st</sup>. The Open Enrollment Period will occur annually October 1 – October 15. A qualifying life event or change in an employee's situation (i.e. getting married, having a baby or adopting a child, new hire, etc.) that makes an employee eligible for a Special Enrollment Period, will allow the employee to enroll in health insurance outside the annual Open Enrollment Period. Additionally, there are some instances when an employee would enroll in HSA Plan and start contributing to their account mid-year, in these cases, contributions will be pro-rated based on the number of months you are HSA eligible.

(i.e. a new hire becomes eligible nine months of that calendar year, would be eligible for 9/12 or 75% of the employer contribution)

7. It is the desire of the Board to maintain HSA Plan that is cost effective. And it is the desire of the Board to monitor on an annual basis, that the HSA Plan remains cost effective. If at such time the HSA Plan becomes cost ineffective, all parties (Board, CHAT) agree to examine ways to become cost effective.

3. Nothing in this MOU alters or amends any provision of the CBA except as expressly stated herein, all other provisions of the CBA not expressly addressed herein shall remain in full force and effect. This MOU may be altered only by the mutual written agreement of the Parties.

4. This MOU shall become effective with the signatures of the parties and granted all rights under the Collective Bargaining Agreement. Any violation of this MOU shall be subject to the CBA's grievance provisions.

This MOU is affixed and attached to the CBA and made a part thereof with all the rights granted under the CBA.

  
Board of Education President

 9/20/23  
CHAT President