



December 9, 2009

As Ed Maduli intimated in his recent email, the Benefits Committee met Tuesday to select a dental plan for CY 2009. The Benefits Committee is a joint committee with CCFT, CCCUE and management representation and is responsible for selecting and reviewing such packages for the entire District.

The Benefits Committee opted to keep the existing plan with our current provider for CY 2009. More detailed information about the exact plan specifications for 2009 can be found at <http://academic.cuesta.edu/insurance/Dental.htm>, but essentially this means dental coverage will be at the same levels as in previous years.

The premium cost of this plan, however, has risen 9% since 2008. This increase follows on the heels of the increase in the premium cost from 2008. CCFT is very mindful of the significance of these increases and the rising cost of health care in general and fully intends to bargain over and address these new costs in upcoming negotiations with the District.

Last spring, CCFT did address the 2008 premium cost increase in negotiations with the District. The parties met to negotiate over a District contribution to help offset the dental premium increase for CY 2008. After mediating the issue, the parties ultimately agreed to the following:

“Increase the District’s contribution under Article 4, section 4.2.3.1 Paragraph (A)(1) for dental insurance by \$7.40 for full time faculty.

“Increase the District’s contribution under Article 4, section 4.2.2.1 Paragraph (A)(1) for dental insurance by \$3.70 for part time faculty.”

In the Agreement, sections 4.2.2.1 and 4.2.3.1 set out the overall amount that the District is required to contribute to members enrolled in the District’s medical plans (including the dental and/or vision plan). For example, for full-time faculty this basically means that each member is responsible for the cost of their plan over the District’s \$626.84 contribution.

The Agreement in May, therefore, ensured that as the overall cost of members’ premiums rose, it would be offset by an increase in the members’ overall fringe allowance (from \$626.84 to \$634.22). Since this was bargained to offset the increased dental premium, the fringe increase only went to members who had elected to participate in the dental plan.

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<sup>1</sup>The full contract, current except for not yet reflecting the \$7.40 and \$3.70 increases in (A)(1), can be found online at: <http://www.ccft.org/cont.asp>.

Unfortunately, the District failed to execute the plan in the manner intended by the parties. Instead of doing what the agreement implied - but did not explicitly state - the District increased its overall fringe contribution but subsequently paid for the premium increase out of the Dental Plan reserve fund.

This agreement last May was the first time that CCFT and the District had negotiated an increase to the fringe allowances for only a specific purpose – in this case, dental insurance. Section 4.2.3.1 of the contract is not structured in that way; and hence, the parties' agreement did not explicitly state that the increased contribution was to be immediately used to offset the increased premium cost.

After consulting with CCFT counsel, it was recommended that we pursue this issue in negotiations, rather than file a PERB charge against the District at this immediate time. The team endorses this recommendation.

The \$7.40 (or \$3.70) fringe allowance increase will continue in the 2009 calendar year for dental plan enrollees to help offset the dental program cost from the 2008 increase. And furthermore, as mentioned earlier, CCFT will bargain vigorously with the District to address how the premium increase for 2009 and future dental plan increases will be funded.

Finally, we would like to remind everyone that open enrollment for the dental plan ends **December 19 at 5:00 PM**. As Ed said, if you wish to stay with your current plan at the single, 2-party or family rate, there is no need to re-enroll. Otherwise, if you wish to make any changes, you will need to enroll.

Please feel free to contact me, [amerzon@cuesta.edu](mailto:amerzon@cuesta.edu) or 546-3100 x 2711, if you have any questions.

Regards-

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CCFT 2008-2009 Negotiations Team