

MEMORANDUM OF AGREEMENT

WHEREAS, the School Committee of the Hawlemont Regional School District voted on September 20, 2007, to accept M.G.L. c. 32B, §19, as amended by Chapter 67 of the Acts of 2007, (Section 19) for the purpose of transferring the School Committee's health insurance subscribers (subscribers) to the Commonwealth's Group Insurance Commission (GIC); and

WHEREAS, the School Committee of the Hawlemont Regional School District (School Committee) and the duly-formed Public Employee Committee (PEC) have negotiated for such transfer;

NOW, THEREFORE, the School Committee and the PEC agree as follows:

Effective Date and Duration of Agreement

1. The Agreement shall take effect on the date the School Committee and the PEC execute the Agreement and shall remain in effect through June 30, 2011.

Transfer of Health Coverage to the GIC

2. The School Committee shall transfer subscribers to the GIC effective July 1, 2008, and shall continue coverage through the GIC through June 30, 2011. For purposes of this Agreement, the term "subscribers" shall mean all employees, retirees, surviving spouses and dependents currently eligible for and receiving health insurance through the School Committee, and any employees, retirees, surviving spouses and dependents who become eligible in the future.
3. The School Committee shall provide notice to the GIC of the School Committee's transferring subscribers to the GIC by sending a copy of this Agreement to the GIC as soon as possible after the School Committee and the PEC execute the Agreement, and in no event later than October 1, 2007.
4. The School Committee shall take all reasonable and necessary actions required by the GIC to effectuate the transfer no later than July 1, 2008 and to maintain coverage thereafter for the duration of this Agreement.

Contribution Splits

HMO Plans – 75/25 Split

5. For the duration of this Agreement, the School Committee shall contribute 75 percent of the premium or cost for any health maintenance (HMO) plans offered by the GIC and the subscriber shall contribute 25 percent. Such plans include:
 - Fallon Community Health Plan Select Care
 - Health New England
 - Fallon Senior Plan (partly available in Franklin County)

If the GIC offers any new or additional HMO plans during the life of this agreement, the same contribution rate shall apply.

PPO Plans – 70/30 Split

6. For the duration of this Agreement, the School Committee shall contribute 70 percent of the premium or cost for any preferred provider (PPO) plans offered by the GIC and the subscriber shall contribute 30 percent. Such plans include:
- Tufts Health Plan Navigator
 - Commonwealth (Unicare) Indemnity (PPO) Plus
 - Harvard Pilgrim Health Care Independence Plan
 - Commonwealth (Unicare) Indemnity Plan (PPO) Community Choice

If the GIC offers any new or additional PPO plans during the life of this agreement, the same contribution rate shall apply.

Indemnity Plans – 60/40 Split

7. For the duration of this Agreement, the School Committee shall contribute 60 percent of the premium or cost for any indemnity plans offered by the GIC and the subscriber shall contribute 40 percent. Such plans include:
- Commonwealth (Unicare) Basic Indemnity with CIC

If the GIC offers any new or additional indemnity plans during the life of this agreement, the same contribution rate shall apply.

Dental Coverage

8. The school committee shall continue to provide dental coverage comparable to the current plan and contribution rate effective July 1, 2007.

***Medicare Enrollment
60/40 Split***

9. Subscribers who become eligible for Medicare must transfer to Medicare coverage. For the duration of this Agreement, the School Committee shall contribute 60% of the premium cost for any plans offered by the GIC and the subscriber shall contribute 40% for the plan selected, including Medicare Part B coverage. GIC Medicare coverage plans include:
- Health New England Medicare Rate
 - Tufts Health Plan Medicare Complement
 - Commonwealth Indemnity Plan Medicare Extension (OME) with CIC.

If the GIC offers any new or additional plans during the life of this agreement, the same contribution rate shall apply.

Future Meetings of School Committee and PEC

10. The PEC shall be composed of a union president/steward from each organization/association that negotiates with the School Committee and a retiree representative designated by the Retired State, County and Municipal Employees Association. Each union president/steward and the retiree representative shall have the option of allowing one additional representative to attend meetings of the PEC and the School Committee or their designee(s).
11. The parties shall establish a regular schedule of meetings to discuss the implementation of this Agreement and any issues relating to the effectiveness and efficiency of health coverage for subscribers. Such meetings shall take place quarterly, unless mutually agreed otherwise. Meetings shall be held at times and places that are mutually agreed upon by the School Committee and the PEC. In addition, either party may convene a meeting upon seven days' notice to the other party, unless there is an emergency that requires shorter notice. Meeting notices shall be provided to the School Committee and to the PEC in writing. The School Committee may provide notice of a meeting or a series of meetings up to twelve months in advance of a meeting. Any employee who is a representative of the PEC shall receive time off to attend meetings between the PEC and the School Committee with full pay and benefits.

Correspondence and Information

12. The School Committee shall make available to the PEC copies of any correspondence between the School Committee and the GIC or between the School Committee and any provider of health care.

Health Coverage After June 30, 2011

13. This transfer of subscribers to the GIC shall terminate on June 30, 2011, unless, pursuant to a successor agreement executed by the parties, notice is provided to the GIC no later than October 1, 2010, that the School Committee shall continue to provide health coverage for subscribers through the GIC effective July 1, 2011.
14. The School Committee or their designee(s) and the PEC shall begin negotiations for a successor agreement pursuant to Section 19 no later than March 1, 2010. At the request of the PEC, the School Committee shall present a proposal for alternative plans which are at least the actuarial equivalent of those offered by the GIC for the 2011 plan year so that the parties may fully explore and negotiate the health coverage to be provided to subscribers starting on July 1, 2011.

If the parties have not reached a successor agreement by September 30, 2010, the terms of this agreement shall constitute the terms of the successor agreement except that all of the terms contained herein shall be modified to be consistent with a termination date of June 30, 2014.

However, during the July 1, 2011 – June 30, 2014 time period, either party may file for arbitration of all unresolved issues, including but not limited to, whether to withdraw from

GIC coverage, the health coverage which shall be provided if subscribers are withdrawn from the GIC, and premium contributions. The parties shall mutually select an arbitrator if possible. Otherwise, the arbitration proceeding shall be administered by the American Arbitration Association under the procedures set forth in its Labor Arbitration Rules.

The arbitrator's ruling shall be applied to the July 1, 2014 – June 30, 2017 Agreement. However, the parties may mutually agree to not enforce the arbitrator's ruling in the event the ruling is not satisfactory to the parties relative to a July 1, 2014 – June 30, 2017 Agreement.

15. In accordance with the provisions of the successor agreement, the School Committee shall notify the GIC no later than October 1, 2010, either that subscribers shall continue coverage through the GIC effective July 1, 2011 the interval specified in the Agreement, or that the School Committee is withdrawing its subscribers effective July 1, 2011.

Effect of Agreement

16. This Agreement shall be binding on all subscribers and shall supersede any conflicting provisions of any School Committee policies or any collective bargaining agreements between the School Committee and any unions representing School Committee employees. The School Committee's acceptance of Section 19 is conditioned on transferring its subscribers to the GIC. In the event the School Committee ceases to provide health insurance through the GIC, the School Committee and the PEC agree to maintain Section 19 to bargain health insurance coverage.

Cancellation

17. In the event the School Committee is delinquent in making payments as required by the GIC and the GIC notifies the School Committee that it intends to exercise its option to cancel coverage pursuant to Section 19, the School Committee shall immediately notify the PEC, present it a proposal for plans that are at least the actuarial equivalent of those offered by the GIC, and engage in negotiations with the PEC for replacement coverage.

Arbitration of Disputes

18. Either party may submit a dispute between the parties concerning the interpretation or application of this Agreement to the American Arbitration Association for arbitration under its Labor Arbitration Rules. A request for arbitration by the PEC must be approved by seventy percent (70%) of the weighted votes of the representatives on the PEC. Any arbitrator appointed in such process shall look to and be bound by external law.

Savings Clause

19. If any provision or portion of the Agreement is found to be unenforceable or unlawful, the remaining provisions or portions shall remain binding.

Scope and Modification

- 20. This Agreement shall constitute the whole of the Agreement between the School Committee and the PEC. The Agreement may be modified only through a mutual agreement between School Committee and the PEC.

- 21. This Agreement supercedes Article XX, of the *Agreement between the Hawlemont Regional District School District and the Hawlemont Teachers' Association, except for Sections B and C.*

Dated: _____

For the Hawlemont Regional School Committee:

Dated: _____

For the Hawlemont Teachers' Association:

For the Retired Employees of the Hawlemont Regional School District:
