

## **Senate Education Committee Testimony 5/1/18 - Statewide Teacher Healthcare**

Thank you all for the opportunity to testify today. I am Kim Gleason, Treasurer of the Vermont School Board Association, and I represent the Chittenden and Grand Isle region on that board. I am the vice-chair of the Essex Westford School District board, and I had the pleasure and privilege to lead our teacher and support staff negotiations as we unified our contracts for both groups last year. I was also appointed by Governor Scott to the VMERS board and serve as an alternate on the VPIC board. I am speaking today from my experiences in negotiating teacher and support staff contracts for the last several years, and I want to express my support of the effort to negotiate healthcare for educators at the state level.

Last year, many communities worked collectively and collaboratively to unify school districts to seek greater equity of opportunity for our students and efficiency for our taxpayers. In many cases, board members, with varying degree of legal and administrative support, were also trying to unify educators' contracts, and to ensure support for the needs of our students, staff and taxpayers in these newly formed districts (...we had plenty to negotiate locally). To have this process of unification across our communities further challenged by the inability of our districts independently to arrive at settlements on healthcare was damaging to the collaboration that is necessary to move toward cohesive school districts focused on the journey of our students, preK-12 and beyond. Our educators are critical partners in this work.

The Essex Westford School District Board and our teacher and support staff unions eventually, after months of hard work, arrived at unified master agreements that resulted in unified job categories, salary and seniority schedules, a consistent number of school days, sick leave, personal leave and and a common length of work day across the ten schools. All these issues will continue to be negotiated locally, reflecting our local needs and priorities.

With respect to healthcare, in our second full year of the agreement, teachers will pay 20% of their premiums, and support staff 11%, with all paying up to \$400 of out pocket expenses for a single plan and \$800 for a two-person or family plan through an HRA. Our board recognized that our support staff would be more sensitive to increases in premiums and larger outlays for out of pocket expenses. Our settlement for support staff reflected that sensitivity, even though it missed the target plan the Governor was seeking. While the transition to the new healthcare plans was a change in how all staff experience their healthcare benefits, this generally did not increase the overall cost structure for employees. In fact, many employees realized a decrease in their premium

expenses, and the district also realized savings from the changes in the healthcare plans.

These agreements were the result of a year of carefully listening to the concerns on both sides of the table. We worked collaboratively and respectfully with our Essex Educators Association partners to arrive at a contract that would support the needs of our students, respect the professionalism of our staff and educators, and honor the investment of our taxpayers. As one who enjoyed collaborative productive negotiations efforts with our union representatives and our administration, I also knew that at some point in the process we would find ourselves bound by the limitations of the statewide VT-NEA position with respect to healthcare. And, in fact, we did declared impasse over healthcare on both sets of negotiations before finally arriving at an agreement. To get that far and be stuck on healthcare and positions that seemed beyond our local control was frustrating and added time, expense, and strain to our otherwise collaborative process.

With the expiration of healthcare provisions in all contracts in the end of FY19, we once again have an opportunity to centralize healthcare negotiation efforts on behalf of all staff, school districts and taxpayers across the state. In my personal opinion, healthcare is a RIGHT, and similar to retirement benefits for educators, that benefit should not be dependent on the community in which you live. If plans continue to vary from district to district in premium and out of pocket expense sharing, it would be reasonable to expect that there would likely eventually be experience rated premiums that may differ district to district and could put at risk the benefits of the larger pool smoothing of expenses over time.

As you consider the current proposal for statewide negotiations, I would have a few suggestions:

- 1) Please make certain that representation from the employers/school districts is appointed through the VSBA, with a clearly delineated process, rather than through a political appointment of the Governor's office. And that the representation balance on the Commission recognizes that employers bear the fiduciary risk in the sustainability of the plans, and thus should hold a majority position on the commission.
- 2) In my opinion, it would seem best to not limit, by statute, the out of pocket expense coverage to only HRA's, as many employees may benefit from HSAs.
- 3) I might also caution that healthcare language need not be included in the local master agreements, if that benefit is negotiated at the statewide level. Detailed

retirement benefit language is not included in our local master agreements currently.

- 4) Finally, is there an expectation of the conditions under which the contract would be renegotiated at the statewide level? Or an expectation of the “duration” of the healthcare contract? Or further delineation of the ongoing responsibilities of the Commission?

Thank you for taking the time to thoroughly consider a statewide teacher healthcare plan, the unique opportunities that could be realized for teachers, school districts and taxpayers, and the savings that could be directed to support the journey of our learners, cradle to career. Now is the time!

Again, thank you for your efforts on behalf of all student, educators, board members, and taxpayers, and for the opportunity to speak with you today.

Respectfully submitted,

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