

# FLETCHER ELEMENTARY SCHOOL

\* Respectful \* Responsible \* Safe \* Caring \*

Fletcher School District  
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Dear Senators,

H.81, a bill addressing statewide bargaining for public school employees' health care benefits is being considered by the Senate.

[H.81 as passed by the House](#) eliminates the requirement that premium responsibility percentages and out-of-pocket expenses for each plan tier must be the same for all participating employees. The [Joint Fiscal Office estimated the cost of only the premium responsibility change in this memo](#) (likely understated because it relies on 2019 data). In order to understand the full financial impacts of the changes proposed in H.81, the Committee should require a formal fiscal note based on the most recent data.

**The fiscal impacts of the above major change were not considered by the Senate last year and must be counterbalanced with language requiring statewide bargaining to balance appropriate access to health care benefits with reasonable cost containment to ensure the financial sustainability of the plan.**

The following information from the Fletcher School District illustrates why reasonable cost containment should be included in statewide bargaining for school employees' health benefits. For FY22, we have dedicated \$238,811 to healthcare expenses in our budget, representing 6% of our budget. Healthcare costs for us are up 30% for FY22, while we are presenting a budget with an additional teacher and increased nursing time, we have kept the rest of the budget flat. In addition, future cost reductions in other areas will have to occur in order to level fund our budget in the coming years while managing healthcare increases. This is not sustainable without eventually impacting programming and positions. The cost of healthcare as a percentage of the average cost of compensation of our teachers is 25%.

Please amend Section 6 of H.81 by adding the following language to 16 V.S.A. Section 2015(b)(3)(B) (new language is in bold):

*In reaching a decision, the arbitrator or arbitrators shall **determine which of the two submissions most appropriately balances appropriate access to health care benefits and reasonable cost containment to ensure the financial sustainability of the plan. The arbitrator or arbitrators shall also give weight to the evidence, documents, written material and arguments presented, as well as the following factors:***

\* \* \*

*(vi) **the actuarial value of the health benefits for the full term of the award proposed by each party as compared to health plans available through Vermont Health Connect; and***  
*(vii) **the percentage increase or decrease in education spending that is likely to occur under either party's proposal for the full term of the award as compared to overall economic growth for the State of Vermont.***

Please enter this letter into the written testimony of the Senate Education Committee and post it on the Committee's website.

Thank you for your consideration.

Sincerely,

Tara Sweet  
Fletcher School Board Chair

Jim Tager  
Franklin West Supervisory Union Superintendent