

BOARD OF TRUSTEES	ACTION
Santa Monica Community College District	September 7, 2010

MAJOR ITEMS OF BUSINESS

RECOMMENDATION NO. 3

SUBJECT: **RESOLUTION ESTABLISHING MAXIMUM DISTRICT CONTRIBUTIONS FOR HEALTH INSURANCE BENEFITS FOR BOARDS AND COMMISSIONS, ACADEMIC MANAGERS, CLASSIFIED MANAGERS, AND CONFIDENTIAL EMPLOYEES**

SUBMITTED BY: Superintendent/President

REQUESTED ACTION: It is recommended that the Board of Trustees approve the following resolution establishing maximum district contributions for health insurance benefits for boards and commissions, academic managers, classified managers, and confidential employees:

WHEREAS, the Board of Trustees is authorized by law to establish the District's contribution to health benefits for District employees,

NOW, THEREFORE, the Board of Trustees does establish the District's contributions for health benefits for specified District employees as follows:

SECTION 1. This Resolution applies to Board of Trustees, Personnel Commission, the Superintendent/President, all Academic Managers, all Classified Managers, and all Confidential Employees.

SECTION 2. Effective January 1, 2011, the maximum District contribution to payment of the premiums for the health plan selected by any person subject to Section 1 shall be as follows:

- a. For an individual, the annual Individual premium for the PERS Choice Insurance Plan.
- b. For Two-Party coverage, the annual Two-Party premium for the PERS Choice Insurance Plan.
- c. For Family coverage, the annual Family premium for the PERS Choice Insurance Plan.

If person subject to Section 1 selects a District-offered health plan with a premium greater than the District's contribution, the person shall pay the difference between the premium and the District contribution. The difference shall be paid in equal monthly installments.

SECTION 3. The District hereby establishes a Health Reimbursement Arrangement for those persons subject to Section 1 effective January 1, 2011 with the following provisions:

- a. The annual amount of the HRA for the 2011 and 2012 calendar year shall be as follows:
 - \$1,000 for a PPO plan for a single employee
 - \$2,000 for a PPO plan for a two-party or family
 - \$1,000 for any employee with an HMO plan

- b. The plan shall provide for reimbursement for all qualified medical expenses authorized by law.

SECTION 4. The Superintendent/President is directed to prepare for approval by the Board of Trustees a health reimbursement arrangement plan meeting the requirements of Section 105 of the Internal Revenue Service Code of 1986, as amended.

MOTION MADE BY:	Louise Jaffe
SECONDED BY:	Rob Rader
STUDENT ADVISORY:	Aye
AYES:	6
NOES:	1 (Quiñones-Perez)