

Memorandum of Understanding

This Memorandum of Understanding is entered into this 24th day of May, 2016, by and Between the Paulding Exempted Village Schools Board of Education (hereinafter "Board") and the Paulding Education Association (hereinafter "Association").

WHEREAS, the parties have a mutual interest in providing the best medical, vision, life, and dental insurance to the bargaining unit members as well as providing the district and staff with cost saving measures:

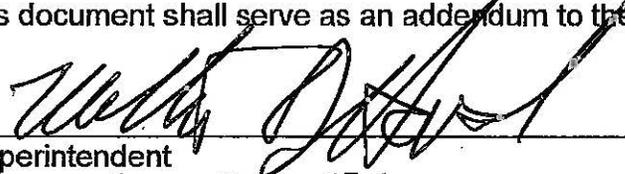
WHEREAS, the Collective Bargaining Agreement specifies: "The Board shall provide for insurance coverages contained herein through direct purchase, through a third party administrator and/or in conjunction with a consortium. Such insurance shall be carried by a company licensed by the State of Ohio. Provisions of policies must exceed or be equal to the level of benefits in the Medical Mutual Certificate effective July 1, 1998.

NOW THEREFORE, the Board and the Association agree to the following:

1. The Association take to the membership the EPC Consortium Overview for a vote to be included in the EPC Consortium.
2. The EPC Consortium health insurance rate for October 1, 2016 to September 30, 2017 will be set at a 1% increase and the dental rate will be set at a -6% rate. The health and dental insurance plans provided through the EPC Consortium have slight variations from the Paulding county Consortium Plans, thus requiring this MOU.
3. The move to the EPC Consortium must be approved by all three of the Paulding County Schools by May 31, 2016. If one of more of the three schools do not have a MOU in place by May 31, 2016, the Paulding County Consortium will maintain its current plan beginning July 1, 2016 and continue to June 30, 2017 with a 3% increase for health and dental rates.
4. Insurance rates will be set each year and information will be passed along to the membership each year when they are known. However, The Association and Board agree to maintain all current levels of benefits as stated above. Any Federal mandates, State Mandates and company policy changes will be implemented by the EPC Governing Board beginning October 1, 2016. If EPC benefit levels no longer exist or a change in coverage will occur, the Association will be notified prior to the change and the parties shall meet to negotiate the impact of the change.
5. The wellness workshop and the health assessment are voluntary and will not be required of any member. No Health or Wellness information regarding the workshops or assessments will be shared with any administrator in our district and no Bargaining Unit Member will be penalized for not utilizing these services.

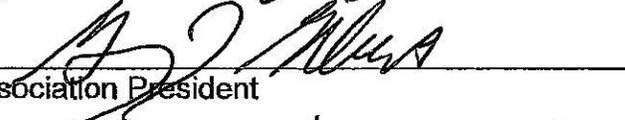
6. As some specific exclusions exist on the EPC overview sheet dated May 17, 2016, those exclusions ("excluded from coverage") are understood and will not be a subject to the current contract language benefit level should the benefits prove to be less. See overview sheet attached to this agreement.
7. This agreement in no way waived the right of any Bargaining Unit Member of the Association.

This document is a TA to take to the membership. Once ratified and signed by both parties, this document shall serve as an addendum to the collective bargaining agreement.



Superintendent

5-25-16
Date



Association President

5-25-16
Date

Superintendent TA WDH Date 5-24-16-PM

Association TA DA Date 5-24-16 Pm

Paulding County School Consortium
EPC Consortium Overview as of May 17, 2016

The EPC Consortium serves 77 districts and insures approximately 36,190 members. EPC has offered the schools of Paulding County a 1% increase in rates guaranteed for 15 months and a rate cap of 7% for the 2017 renewal. Paulding County School's renewal is July 1st and EPC originally requested a decision be made by 4/15/16. However, EPC has agreed to allow entrance into their consortium effective 10/1/16 but a decision must be made by 6/1/16. A change in consortiums would provide enhancements in some areas and changes in others. Below is an overview of the EPC programs based on information we have received as of May 17, 2016.

Highlights of the EPC Offer:

- Medical Benefits will remain the same.
- Anthem will continue as administrator.
- Continue with Anthem Network
- Deductibles and out-of-pocket paid in 2016 will transfer to EPC for the remainder of the calendar year. (No change)
- 4th Quarter Deductible Carry-Over for PPO Plans (not available on HDHP/H.S.A plan)
- Covered Employees can receive a gift card for completing a Health Assessment. Current value is \$50.
- Covered Employees can receive a gift card for completing a Wellness workshop. Current value is \$50.
- Members can buy a 90 day supply of medication at CVS Pharmacy for 2x the retail copay.
- HDHP/H.S.A Preventive Rx Listing – EPC indicates that the Caremark listing is same as current listing
- Continue with current Vision plans through VSP.
- Continue with current Life insurance plans.

Program changes with the EPC Offer:

- Dental administration will change from Anthem to Delta Dental. The benefits will remain the same; however there is a change in the Passive PPO Network going from Anthem to Delta Dental Network on 7/1/16.
 - Current Anthem Dental Plan and Delta Dental plans both pay non-network claims in the 90th percentile.
 - Payments will go to members when non-network dentist is utilized. Non-Networking dentists could require payment in advance of services but most will not do this.
 - Internal COB – when Husband & Wife are both employed by district/consortium, the plan will pay primary and secondary coverage.
- Prescription administration will change from Express Scripts to CVS Caremark on January 1, 2017.
- Specialty Medication will have to be filled through CVS's Specialty Pharmacy
- Rx Copays for Mail Order or through 90 Day CVS Retail program must be 2x Retail:
 - PPO 500 Plan: Current Mail Order is 15/80/240 and will change to 30/80/160
 - PPO 200 Plan: no change necessary
 - HDHP/H.S.A: Current Mail Order is 10/88/175 and will change to 20/70/140
- Clinical Equivalent Edits will be added to the Prescription plan.
 - Clinical Edits allows for more expensive brand medications or Over-the-Counter medications to be EXCLUDED from coverage when less expensive alternatives exist within a *Class of Medications*. Example: Nexlum, Prilosec, Prevacid, Protonix and Zegerid are all considered Proton Pump Inhibitors (PPI). A Clinical Edit provision would allow the plan to exclude coverage for a more expensive PPI when a less expensive alternative is within the same class of medications. For instance, the EPC plan excludes coverage for:
 - Prevacid and Protonix but would cover Nexium, Dexilant, lansoprazole, omeprazole, and pantoprazole
- Differences in ExpressScript vs Caremark Formulary Listing could change copays on certain medications.
- Caremark Rx plan does exclude coverage for certain medications. Exception process is available but no guarantee on approvals.
- Medical dependent eligibility: EPC coverage cancels EOM Age 26 instead of current EOY Age 26. Grandfathering of current dependents is a possibility but new dependents will follow EOM age 26 stipulations.
- Dental dependent eligibility: EPC coverage cancels EOY Age 24 instead of current EOY Age 26. Grandfathering of current dependents is a possibility but new dependents will follow age 24 stipulations.