

1 **ISSUE # 7 – Life Insurance**

2 7. Article XII – Compensation and Insurance, Section 6 (Life Insurance for both Teachers  
3 and Paraprofessionals)

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5 *What shall be the collective bargaining language related to the changes in life insurance*  
6 *coverage effective April 1, 2012?*

7 **MEA Position:** MEA is willing to accept the District proposed reduction in Life Insurance benefits from  
8 two times salary to one time salary life insurance benefits effective April 1, 2012. However, the District  
9 proposed language that did not clarify terms and conditions for the period of time between the  
10 beginning of the year and April 1, 2012. MEA proposed language to address the modification in  
11 benefits. The impact of this reduction in benefits for bargaining unit employees to purchase the  
12 continuation of the current level of coverage equates to an additional employee cost of \$124,640. The  
13 impact on the average bargaining unit employee is an additional expense of \$40. The annual impact of  
14 this benefit is a loss of \$300,000 in benefits to bargaining unit employees at the current rate for  
15 employees to purchase the benefit.

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17 **MEA Proposal:**  
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19 **ARTICLE XII- COMPENSATION AND HEALTH INSURANCE**

20 **Section 6 - Codification of Salary Guidelines and Fringe Benefits**

21 **Subdivision 4. Fringe Benefits:**

22 1. **Term Life Insurance Policy:** Effective April 1, 2012 a Term Life Insurance Policy will be paid by  
23 the Manatee County School Board in an amount equal to ~~twice~~ the employee's annual salary with an  
24 option for the employee to ~~increase amount~~ purchase additional life insurance up to one, two or three  
25 times Annual Earnings amount equal to the annual salary without qualifications for a nominal rate at  
26 the time open enrollment for the April 1, 2012 effective date.

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28 a. Employees hired prior to April 1, 2012 shall be allowed to purchase one times Annual Earnings  
29 benefit without evidence of insurability during the special one-time open enrollment to be  
30 conducted prior to April 1, 2012.

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32 b. Additional life insurance amounts in excess of \$300,000 will require evidence of insurability and  
33 approval by the like insurance provider. Any requests for additional life insurance by new  
34 employees after the employee receives their first payroll deduction, or by current employees after  
35 the special one-time enrollment period prior to April 1, 2012 will require evidence of insurability  
36 and approval by the life insurance provider.

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39 Until ~~December 31, 2007~~ April 1, 2012, the School Board will provide a Term Life Insurance Policy paid  
40 by the Manatee County School Board in an amount equal to twice the employee's annual salary.  
41 contribution of .10 per employee, per month for all employees who purchase a second salary level of life  
42 insurance. After January 1, 2008 the purchase of optional life insurance will be the responsibility of the  
43 employee. Additional life insurance amounts in excess of \$300,000 will require evidence of insurability  
44 and approval by the life insurance provider.

1 **MEA Rationale:** MEA has agreed to the reduction in the life insurance benefit paid for by the District  
2 based on the budget concerns and the comparable data. Therefore, the benefit modification is not at  
3 issue. MEA has proposed language to clarify the reduction in benefit and the continuation of benefit  
4 between the beginning of the year and the April 1, 2012 effective date of the change.  
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