



**BUSINESS SERVICES**

Lisa Grant-Dawson  
701 North Madison Street  
Stockton, CA 95202-1687  
(209) 933-7010, Ext. 2091  
FAX (209) 933-7011

BOARD OF EDUCATION  
Cecilia Mendez  
Angelann Flores  
Kathleen Garcia  
Lange P. Luntao  
Maria Mendez  
Scot McBrian  
Candelaria Vargas

---

Superintendent  
John E. Deasy, Ph.D.

To: Employees of the Stockton Teachers Association (STA) Bargaining Unit  
From: Lisa Grant-Dawson, Chief Business Official  
Re: Response to Request for Rescission Change due to STA Benefit Changes and Recent Tentative Agreement (TA)  
Date: December 12, 2018

The Stockton Unified School District (District) and the Stockton Teachers Association (STA) reached a tentative agreement (TA) on Monday, December 3, 2018 in response to the 2018-19 negotiations for re-openers. This Tentative agreement was ratified by STA on December 10<sup>th</sup> and by the District on December 11<sup>th</sup>. One of the areas included in this TA was Article 4: Fringe Benefits, which includes a proposed amendment to a new current and future year format regarding the calculation of the employer contributions to benefits.

The current language in the contract regarding the method of calculating the employer contribution led to increases in the employee share of benefits. As a result, several employees/STA unit members changed their plan option selection to alternative plans with lower costs to the employee. The District has received numerous inquiries from employees/STA bargaining unit members seeking to rescind their health plan selection made during the recent open enrollment period. The common sentiment is that their election change was due to the increase in health plan cost for their 2019 plan option and the desire to mitigate the increase. We have also received requests for employees to select a different plan in response to the tentative agreement.

The District will not honor these requests for the following reasons:

1. The District does not allow the rescission of any changes to Health Plan selections after open enrollment other than those covered by qualifying events or an employee's decision to drop coverage. Doing so places all employee payroll and benefits at risk of being incorrect/incomplete. As with other Bargaining Units that have historically settled in the month of December, we are being consistent in our practice for all employees.



## **BUSINESS SERVICES**

Lisa Grant-Dawson  
701 North Madison Street  
Stockton, CA 95202-1687  
(209) 933-7010, Ext. 2091  
FAX (209) 933-7011

BOARD OF EDUCATION  
Cecilia Mendez  
Angelann Flores  
Kathleen Garcia  
Lange P. Luntao  
Maria Mendez  
Scot McBrian  
Candelaria Vargas

---

Superintendent  
John E. Deasy, Ph.D.

2. During the period of time the agreement was in tentative status, The District were apprised of a “rescission period” that CalPERS allows if a subscribing entity chooses to allow this change period for its employees. As set by CalPERS, our deadline to input benefit changes made during the Open Enrollment Period with CalPERS was November 2, 2018. The rescission period only allows employees to return to their 2018 Plan Option. If the District was inclined to participate in this option, the deadline to submit these changes, and meet the January 1, 2019 CalPERS billing requirements, was December 10, 2018. The District does not have the capacity nor the ability to make any health plan changes under this deadline. Also, the District’s schedule to meet the December payroll is always shorter due to the holiday recess. We again, are not inclined to risk errors or an impact to this process which affects all employees.
  
3. The employees who elected to change their benefits will not be financially harmed as a result of this Tentative Agreement. The TA includes provisions to offset the net change in District contributions, thus supporting the intent and spirit of the agreement, despite the date of settlement. Due to the nature of the District offering benefits and medical rebate to all employees, this will and may affect many other employees/bargaining units as the District would have to open this rescission period to all employees. This creates a scenario where changes and adjustments place the District at significant risk for errors to not only benefits, but also the December payroll.

The next health plan open enrollment period will occur in the fall of 2019. All District employees who are eligible for benefits will have the opportunity to make plan changes at that time based on their preferences within the benefit plans offered. During the period of developing this response, we have also received questions about employees seeking to terminate coverage. In the event that you choose to terminate your coverage, you will have to wait 90 days to re-enroll in benefits accordingly.

Thank you for your inquiries and we hope this answers the questions posed.