



EDENTON-CHOWAN SCHOOLS BOARD OF EDUCATION

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John Guard
Chairman

Edenton-Chowan Board of Education Resolution in Support of School System Retirees

Kay Wright
Vice-Chair

WHEREAS, Section 35.16 of Session Law 2014-100, also known as Senate Bill 744 – The Appropriations Act, establishes a new health benefit eligibility category for nonpermanent full-time employees to comply with the Affordable Care Act (ACA); and

Ricky Browder

Jean Bunch

WHEREAS, the State Treasurer and Board are directed to offer a health benefit coverage option for these newly-eligible employees that provides minimum essential coverage at no greater than the ACA Bronze level and that minimizes the employer contribution in an administratively feasible manner; and

Gil Burroughs

Glorious Elliott

WHEREAS, the state has established the High Deductible Health Plan, a plan that has high deductibles, co-pays and coinsurance as the equivalent of the lowest level health insurance benefit under the ACA Bronze Plan; and

Gene Jordan

WHEREAS, under this plan, deductibles are \$5,000 per individual and \$10,000 per family, with co-insurance ranging from 50 percent in-network to 60 percent out-of-network; and

Rob Jackson
Superintendent

WHEREAS, annual out-of-pocket maximums range from \$6,450 per person in-network to \$12,900 per person out-of-network, while family maximums range from \$12,900 in network to \$25,800 out-of-network, and

WHEREAS, if a school system retiree is full-time under the ACA, defined as 30 hours per week, and is therefore eligible for an offer of coverage from the school system, then the retiree must be offered the Bronze Plan; and

WHEREAS, under this definition, those rehired retirees are deemed ACA Full-Time Employees if they are hired with the reasonable expectation of working 30 or more hours per week or if they average working 30 or more hours per week during a standard measurement period; and

WHEREAS, as amended, General Statute 135-48-41(j) states that "If a retiree has been hired by an employing unit and is eligible for coverage under the [ACA High Deductible Health Plan], then the rehired retiree shall not, during the time of employment, be eligible for the retiree coverage;" and

WHEREAS, retirees will not be able to work more than 29 hours per week or the equivalent of 3 days a week without having to give up their retiree coverage; and

WHEREAS, retirees will have to give up their State Health Plan Insurance as a retiree, in order to work for the school system as a long-term substitute; and

WHEREAS, retirees will not be available to serve as long-term substitutes for maternity leave, short term disability, etc., without giving up their retiree health insurance coverage; and

WHEREAS, we have difficulty recruiting and identifying high-quality substitutes and depend upon our retirees to meet the needs of our students when their teachers are out; and

WHEREAS, this will have a dramatic negative impact on students and the school system as this pool of talented potential long-term substitutes will no longer be available;

NOW, THEREFORE BE IT RESOLVED, that the Edenton-Chowan Schools Board of Education requests that the North Carolina General Assembly take such steps as necessary to allow school system retirees to serve as long-term substitutes without having to give up their retiree health insurance coverage and without additional costs to LEA's.

Adopted this 1st day of December 2014

Chairman

Secretary