

Date: February 15, 2017

To:

From: Clara Starr, Associate Vice Chancellor Human Resources



**Re: Prescription Drug Copay Reimbursement Benefit**

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One of the agreements negotiated by the District and AFT 2121 as part of the recent CBA negotiations is a significant amendment to the prescription drug copay reimbursement benefit (Article 21.A.2.3), which had been entirely suspended during the term of the previous CBA. Specifically, the parties agreed that the benefit would be reinstated effective July 1, 2016, but that:

- (1) The District shall only reimburse qualifying co-payments paid by an employee on behalf of that employee and/or his/her eligible dependents that exceed \$1200 in any single Plan Year;
- (2) To qualify for reimbursement, the employee must submit appropriate documentation for the prior Plan Year during an annual two-week designated submission window, using Forms and procedures to be developed by Human Resources; and
- (3) Total District payments in any one Plan Year for all qualifying employees shall be capped at \$20,000.

Because the Agreement is effective July 1, 2015, but was not approved until September 2016, the District and AFT have agreed that the initial Plan Year (only) shall be deemed to run from July 1, 2015 to October 31, 2016 - 16 months, instead of 12. Despite this longer Plan Year, the deductible threshold shall remain at \$1200 per employee.

The parties also agreed that the two-week submission window will generally occur November 1 to 15, 2017. Because of delays in finalizing the CBA language and necessary forms, however, it was impossible to utilize that window period in 2016 for initial Plan Year submissions. In consultation with AFT 2121 – **the submission window** for the initial Plan Year is from **February 21, 2017 to March 17, 2017**. This will allow employees time to gather and submit their documentation.

We apologize for this delay, but rest assured that all qualifying submissions will be reimbursed consistent with our negotiated Agreement. We are working hard to finalize the necessary forms and instructions, and will provide additional information well in advance of the actual submission window. In the meantime, if you believe you may qualify for reimbursement of copayments from the July 2015 to October 2016 period please continue to save all of your receipts or other documentation.

If you have any questions, please contact me at 415/241-2249.