

Statement of Mutual Understanding (MOU)

April 10, 2019

The parties to this statement of mutual understanding are Linn-Benton Community College (the College) and the Independent Association of Classified Employees (the Association).

Background

Article 19 of the IACE Collective Bargaining Agreement (CBA) delineates process steps to be followed when the College determines that a reduction in the work force within the bargaining unit is necessary. As of the date of this MOU, Article 19 is silent on the topic of health insurance continuation for employees whose positions are eliminated due to a reduction in force. As such, those employees' option for health insurance continuation is via the Consolidated Omnibus Budget Reconciliation Act (COBRA) with the cost of continuation being borne by the employee. On April 04, 2019, the College delivered a notice of change in practice, notifying the Association of its intent to implement the changes outlined below to provide a higher level of care and support for those employees most affected by a reduction in force. The Association and College have chosen the option to memorialize their agreement through this MOU.

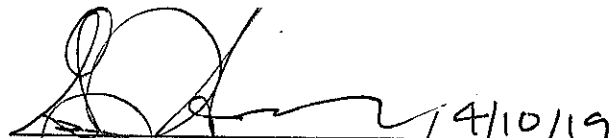
Agreement

The parties agree that the College shall assume the cost of employee-only medical insurance premiums for up to six (6) calendar months, under the provisions of COBRA, beginning on the 1st day of the calendar month following the employee's date of reduction or displacement. Such continuation coverage will be available to the following individuals:

- Persons whose positions have been eliminated and do not have the option to displace another classified employee.
- Persons who do not elect to displace another classified employee under Article 19B of the current CBA.
- Persons who have been displaced by an employee whose position has been eliminated under article 19B.

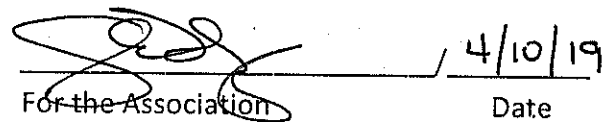
The parties agree that the college's payment for continuation coverage under COBRA shall cease in the event that the employee is either re-employed by the college, becomes eligible for coverage under another employer-sponsored group medical insurance plan, or if the employee elects coverage for themselves under another health insurance plan on the open market.

The parties agree that the responsibility to notify the college of changes in status as described in the previous paragraph rests with the employee. Such notification shall be timely. Failure to notify the college within one calendar week of the date the employee receives confirmation of coverage may result in application of premium charges to the employee, aligned with the start date for external coverage obtained.



For the College
Greg Hamann, President, LBCC

4/10/19
Date



For the Association
Sheri McIntyre, President, IACE

4/10/19
Date