

**Q: How would the change in the health insurance waiver affect employees?**

Currently, boards of education have the right to offer employees a monetary incentive of up to 50% of the board's savings if the employee chooses to waive health insurance coverage. Under the bill, that incentive would be capped at 25% of savings or \$5,000, whichever is lower. Interestingly, this provision could end up costing boards more money if lower incentives cause fewer employees to decline health insurance coverage.

**Q: What is coordination of benefits, and what is the impact of losing that ability?**

Currently, people who are covered under two different state plans (e.g. a member whose spouse is covered under his or her own job) can coordinate the benefits of both plans, which can lower out-of-pocket expenses for those members. This provision would prevent anyone from being covered under more than one state plan. It would affect both active and retired members who are currently eligible for coverage under more than one state plan.

**Q: What does the third bill do?**

The third bill proposes a number of changes to employee benefits, including:

- limits on sick-leave buyouts for new employees at retirement;
- limits on accumulation of vacation for new employees; and
- termination of the disability retirement program for new employees.

**Q: What impact would the limit on sick leave buyouts have on new employees?**

The legislation proposes a \$15,000 limit on sick leave buyouts for new employees, which could occur only at retirement. Currently that level is set in local negotiations, and while most contracts set it at or below \$15,000, some set the amount higher.

**Q: What impact would the limit on vacation leave accumulation have on new members?**

Currently, employers can negotiate rules for how 12-month employees are allowed to accumulate vacation time. Under this proposal, new employees would be limited to rolling over only one year's worth of accumulated vacation, with very few exceptions.

**Q: How would the termination of disability retirements affect members?**

For new employees, the disability retirement program would be replaced by disability insurance. While in some cases members would benefit, since members currently do not qualify for disability retirement coverage until 10 years of service, in most cases the level of benefit would not be as good.