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**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT AND THE
SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT FACULTY ASSOCIATION,
CTA/NEA**

ARTICLE 31 – RETIRED FACULTY BENEFITS

March 2, 2026

This Memorandum of Understanding is entered into between the South Orange County Community College District and the South Orange County Community College District Faculty Association, CTA/NEA (hereinafter referred to as the “Association”) and is expressly made pursuant to the Education Employment Relations Act and the Collective Bargaining Agreement between the parties.

The parties hereby agree to modify Article 31.3. of the collective bargaining agreement as follows:

[....]

31.3. Health and Medical Benefits for Retirees

- a. To be eligible for health and medical benefits after retirement, the faculty member must retire in good standing. Specifically, a faculty member who retires or resigns after formal charges have been served by the District supporting termination of employment but prior to the conclusion of an evidentiary hearing is no longer eligible to receive retiree health and medical benefits. Should the faculty member proceed to an evidentiary hearing, the faculty member shall be put on paid administrative leave and retain health benefits throughout the evidentiary hearing and until a decision is rendered but shall lose all rights to those benefits should the District prevail at the conclusion of the hearing. The faculty member in good standing shall concurrently retire from the District and STRS, and notify the District of their retirement from STRS by providing proof acceptable to the District of such retirement. If the retiree returns to active full-time service in a STRS or PERS contracting district/entity they shall notify the District and the applicable insurance plan administrator of such action, at which time the benefits for both the retiree and their dependents as described in this provision shall cease.

Nothing in Article 31.4.a (above) precludes the district from exercising its rights under Education Code 87735.

- b. Present medical, vision, and dental benefits for those retirees who were employed full-time by the District for ten (10) years immediately preceding the date of retirement and who have reached the age of fifty-five (55), and who meet the eligibility requirements described in section A above, and for the dependents of eligible retirees, shall continue **under the same plan and conditions as active employees** until the retiree reaches the age of Medicare eligibility.
- c. Medicare Eligibility and Continuation of Benefits

- (1) The District will provide ~~supplemental-retiree~~ medical **only** coverage **and the same District paid vision plan provided to active employees** for the retired faculty member, provided the retiree has **enrolled in and/or**

54 purchased as appropriate the applicable Medicare ~~Parts A, and and-B,~~
55 and has been enrolled in Medicare Part D coverage by the District's
56 insurance provider. The cost of Medicare Parts A, and B, and D, along
57 with any Income Related Monthly Adjustment Amount (IRMAA) or any
58 other costs charged to the retiree by the federal government or any
59 other governmental agency shall be solely the responsibility of the
60 retiree and will not be borne by the District. The IRMAA cost of
61 Medicare Part D charged to the retiree by the federal government or
62 any other governmental agency shall be solely the responsibility of
63 the retiree.

64
65 (2) If the retiree has reached the age of Medicare eligibility but does not qualify
66 for Medicare or refuses to sign-up for or pay the premium cost if
67 required and any IRMAA for Medicare Parts A, B, and/or and the
68 IRMAA if required for Part D, benefits for the retiree will continue only
69 under the following circumstances:

- 70
71 (a) The purchase of such coverage is permitted by the health carrier;
72 and
73
74 (b) The retiree pays the full cost of the medical insurance, including any
75 penalty, fee or other cost imposed by the insurance carrier, and any
76 IRMAA penalties, fees, or any other costs charged by the
77 federal government or any other governmental agency, if the
78 retiree has not purchased Medicare A and B, and has not
79 voluntarily signed up for Medicare Part D coverage. If the
80 payment is not paid to the District within 45 days of written
81 notification to the retiree, all retiree benefits (including the
82 district paid vision plan) will be terminated.

83
84 (3) If the retiree has reached the age of Medicare eligibility but a dependent
85 has not reached such age, benefits for the dependent may continue under
86 the following circumstances:

- 87
88 (a) The purchase of such coverage is permitted by the health carrier;
89
90 (b) The retiree has followed Article 31.3.c.(1) ~~purchased Medicare~~
91 ~~Parts A and B, and has voluntarily signed up for Medicare Part~~
92 ~~D coverage,~~ if eligible to purchase for such coverage; or if the retiree
93 is not eligible or refuses to enroll in and/or purchase Medicare, then
94 article 31.3.c.(2) is followed; and
95
96 (c) The retiree pays an amount equal to the cost of the full-time faculty
97 member health benefit package, less the District's cost of the
98 supplemental-retiree medical coverage for the retiree. For example,
99 if the cost of the health benefit package for a full-time faculty
100 member is \$1,000 per month, and the District's cost for
101 supplemental-retiree insurance for the retiree is \$600 per month,
102 the cost to the retiree for continued dependent health benefits would
103 be \$400 per month. If the retiree is not eligible for Medicare, the
104 retiree shall also pay any penalty, fee or other cost imposed by the
105 insurance carrier.
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- (d) In any given year, the increase will not be greater than ten percent (10%) over the prior year cost for this coverage.
 - (e) The retiree pays the any Medicare premium and IRMAA if required for Parts A and B, and the IRMAA if required for Part D, or any other costs charged by the federal government or any other governmental agency.
- (4) If both the retiree and their dependent have reached the age of Medicare eligibility, the retiree may purchase for the dependent, through the District's health benefit providers, ~~supplemental-retiree~~ health coverage equivalent to that provided for the retiree so long as:
- (a) Such purchase is permitted by the health carrier;
 - (b) The retiree and the dependent have followed 31.3.c(1) purchased Medicare Parts A and B, and has voluntarily signed up for are Medicare Part D coverage, if eligible to purchase for such coverage; or if the retiree and dependent are not eligible or refuse to enroll in and/or purchase Medicare, then article 31.3.c.(2) is followed; and
 - (c) The retiree pays an amount equal to the District's cost for the retiree's ~~supplemental-~~ health coverage. If the retiree or dependent is not eligible for Medicare, the retiree shall also pay any penalty, fee or other cost imposed by the insurance carrier. If the payment is not paid to the District within 45 days of written notification to the retiree, the medical benefit will be terminated.
 - (d) The retiree pays for the retiree and the dependent the any Medicare premium and IRMAA if required for Parts A and B, and the IRMAA if required for Part D, or any other costs charged by the federal government or any other governmental agency.
- (5) If the retiree is under the age of Medicare eligibility but the dependent has reached such age, health benefits for the dependent will continue under the following circumstances:
- (a) Such purchase is permitted by the health carrier;
 - (b) The dependent has enrolled in and/or purchased Medicare Parts A and B, and has voluntarily signed up for is enrolled in Medicare Part D coverage, if eligible to purchase for such coverage; and
 - (c) If the dependent is not eligible for Medicare or otherwise fails to enroll in and/or purchase as appropriate Medicare Parts A and B, or voluntarily sign up for enroll in Medicare Part D coverage, the retiree shall pay any penalty, fee or other cost imposed by the insurance carrier. If the payment is not paid to the District within 45 days of written notification to the retiree, the medical benefit for the dependent will be terminated.

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(d) The dependent pays the any premium and IRMAA if required for Parts A and B, and the IRMAA if required for Part D, or any other costs charged by the federal government or any other governmental agency.

(6) At Medicare eligibility, the retiree shall be enrolled into Medicare Part D by the District's insurance provider. Any Income Related Monthly Adjustment Amount (IRMAA) for Medicare Part D or any other costs charged to the retiree by the federal government shall be the responsibility of the retiree and will not be borne by the District.

d. After the retiree reaches the age of Medicare eligibility, the retiree may purchase vision and dental benefits, for both themselves and vision and dental benefits for dependents, through the District's providers so long as:

- (1) Such purchase is permitted by the health carrier;
- (2) Benefits for retirees are grouped in a separate rate from the active/early retirees' group; and the retiree pays the full cost of such benefits.

e. Other coverage for the faculty member retiree and coverage for the dependents is subject to applicable state and federal laws providing for such coverage. In the event that the carrier makes a change to the health plan, the change shall be implemented as required by the carrier and the impacts and effects of any substantive change shall be negotiated in accordance with law.

[...]

The signatures below represent a tentative agreement between the parties subject to approval by the membership of the South Orange County Community College District Faculty Association and by the South Orange County Community College District Board of Trustees.

South Orange County Community College District

South Orange County Community College District Faculty Association, CTA/NEA

Dr. Cindy Vyskocil
Vice Chancellor, Human Resources

Lewis Long
Chief Negotiator, Faculty Association

Date

Date