



New board aimed at equalizing benefits for teachers

Arla Shephard Bull, Special to the Kitsap Sun Published 5:30 a.m. PT May 8, 2019

This fall school district employees will start to enroll in the new statewide program for school employee benefits, the Legislature's latest attempt to make benefits more affordable, transparent and equitable throughout all 295 school districts across the state.

The School Employees Benefits Board (SEBB) will require school districts to cover medical, dental, vision and basic long-term disability and life insurance for any employee expected to work 630 hours in a school year, which comes out to 17.5 hours per week or 3.5 hours per day.

The new program will offer employees more variety when it comes to insurance plans and could make plans more affordable for employees in some districts, but many local school districts are grappling with the expense of the program and some say the benefits don't outweigh the cost.

North Kitsap School District's local spending on benefits is projected to increase by \$1.17 million, part of the reason [why the school board authorized \\$3 million in cuts](https://www.kitsapsun.com/story/news/local/2019/04/26/north-kitsap-school-board-budget-cutting-teaching-positions/3590485002/) (/story/news/local/2019/04/26/north-kitsap-school-board-budget-cutting-teaching-positions/3590485002/) for next school year, including up to 20 teaching positions if necessary.

"I do know that we are anticipating a shortfall due to SEBB, but the full impacts won't be known for awhile," said Jenn Markaryan, a spokesperson for the North Kitsap School District. "SEBB is a part of our overall budget challenge for 2019-2020."

The school employee benefits program will cost South Kitsap about \$750,000 ([the district plans to cut 47 teaching positions next year](https://www.kitsapsun.com/story/news/local/2019/05/02/south-kitsap-school-district-plan-cut-teaching-positions/3648876002/) (/story/news/local/2019/05/02/south-kitsap-school-district-plan-cut-teaching-positions/3648876002/) due to an overall budget shortfall) and North Mason expects SEBB to cost between \$750,000 and \$1 million.

"Employees will see a lot more options," said Ashley Supry, executive director of finance and operations for the North Mason School District. "But with those options come downfalls. Many of the benefits will not be as rich as what our district currently provides."

An even playing field between districts

School districts currently provide benefits through the collective bargaining process, with separate unions negotiating for benefits for classified and certificated employees.

The process can create wide variation between what one district offers compared to another and can also create a disparity between what's offered to classified employees, like custodians and food service workers, and certified employees, like teachers and administrators.

SEBB aims to create more of an even playing field for employees no matter what district they work for and what their job title is.

And for employees with children, SEBB plans to bring the cost of full family coverage down to a ratio of 3:1, meaning a monthly premium for a family with a spouse and dependents covered should not cost more than three times the premium for an individual.

"In 2013, the average monthly contribution for full-time employees covering only themselves was \$41 while employees selecting full family coverage paid an average monthly premium of \$477 — nearly 11 times what individuals with employee-only coverage paid," according to a fact sheet from the Washington State Health Care Authority.

The biggest change coming for school districts is the requirement to pay full benefits for every employee, even those who are part-time (as long as they

work at least 630 hours) and even if they opt out of coverage.

"Employees can opt out, but the district is mandated to pay the employee benefit," Supry said. "We have a lot of military families who use Tricare. If they opt out now, we don't have to pay, and that money can be pooled or redistributed to everyone else. That's not the case anymore."

Coaches and long-term substitute teachers will likely now qualify for benefits. Coaches are paid with stipends at North Mason and will have to start tracking hours, and long-term substitute teachers could receive benefits before they've even started working, Supry said.

"Technically, if we know that an employee is leaving for parental leave, and we know that a substitute will take their place the rest of the year, then we have to pay the substitute's benefits for the whole year, before they start work," she said.

Supry acknowledged that the new state benefits system could prevent some employees from paying too much out-of-pocket, but last year North Mason negotiated a deal with Premera that brought costs way down for its employees, she said.

"Out of more than 350 employees, we have 19 people who don't pay anything out of their paycheck for their monthly premium, and 14 of those are administrators who have higher pay," she said. "We have five employees who will see a cost savings by going to SEBB."

The loss of collective bargaining could mean "less rich" benefits than what employees are used to, Supry said — for instance, North Mason offers a life insurance benefit of \$75,000 to its employees, while the benefit under the new system will be \$35,000.

"North Mason uses a benefits broker, but if a district wants one they will have to contract with one," Supry said. "Our employees are used to a human level of service and having their questions answered by a person right away. They now refer us to a 1-800 number for SEBB."

Employees will also be charged for each individual that smokes and will see a surcharge (\$50 per month) if they enroll a spouse for benefits if the spouse's employer also offers a benefits package.

"These types of things are there to offset the costs for larger districts with more employees," Supry said. "Your medical costs are higher in an urban district, but not if you're a small school district in Belfair, Wash. The pooling that's happening will be redistributed to higher cost areas."

Impact to districts unknown right now

While some districts already have an idea of how the new system will impact them, such as North Kitsap, South Kitsap and North Mason, other districts don't yet know what the full picture will look like.

"It looks like the documentation that we need to get a better grasp on SEBB for next year is going to come from (the state) later this spring," said David Beil, a spokesperson for the Central Kitsap School District. "Then we'll start going through that to see what it means for Central Kitsap. We are projecting a balanced budget for next year."

Bainbridge Island School District is also awaiting guidance from the Office of the Superintendent of Public Instruction and will have estimates "in the very near future," said Peggy Paige, director of business services.

There are still too many "unknowns," said Karen Bevers of the Bremerton School District.

"The benefits allocation from the state per funded staff member is increasing, which is positive for our staff," she said. "But we have a large number of unfunded staff members for whom we provide the same allocation, with no money from the state. So the increase in the state allocation impacts our budget as we need to increase the local allocation per unfunded staff member."

North Mason's neighbor to the south, the Shelton School District, is anticipating a deficit of \$5 million and plans to lay off 64 paraeducators.

Many districts were hoping the Legislature would delay the implementation of SEBB or provide additional funding to offset the costs, said Supry of the North Mason School District.

North Mason anticipated what was coming and made strategic decisions this year to help offset the cost.

"This was not a surprise," Supry said. "We knew it was coming. We did not want to be in a position as some of our counterparts who are having to cut staff. We're not overstaffed. We truly make decisions based on what we can afford. We only levy what is absolutely necessary."

Supry worked on cutting \$3 million this school year on discretionary spending and worked with departments like food services and transportation on getting grants to pay for repairs and buses, so that those needs don't dip into the general fund.

"Our priority is to keep teacher positions and programs in tact," she said. "We will look for revenue before we do anything like that. That's not even on the table. It's about being proactive and not waiting for the state to determine our future."

SEBB open enrollment starts Oct. 1 for coverage beginning Jan. 1, 2020.

For more information on the School Employees Benefits Board, visit <https://www.hca.wa.gov/employee-retiree-benefits/school-employees> (<https://www.hca.wa.gov/employee-retiree-benefits/school-employees>).

More on school funding: [Here's what the levy lid lift means for taxpayers \(/story/news/local/2019/05/04/heres-what-levy-lid-lift-means-kitsap-taxpayers/1090134001/\)](https://www.kitsapsun.com/story/news/local/2019/05/04/heres-what-levy-lid-lift-means-kitsap-taxpayers/1090134001/)

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Terry Dardena

I guess the obvious question is how much should teachers be paid? Should a teacher be paid the same as an engineer; or is their education and job responsibilities more commensurate to a social worker?

Hard questions lend themselves to easy answers...and this new "Cadillac" insurance plan for state teachers is just that...an easy answer.

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William Hatrick

Hey, Terry. Do you ever ask about the actors involved in producing an engineer in such a way that you must use the word "teacher"? By the way, should teachers be paid enough that they can afford to live in the school district in which they teach?

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Terry Dardena

William Hatrick

That's old rhetoric, William. To say: "if not for a teacher, you'd not be (here)" ignores the fact that where one student succeeds, others fail. Currently our graduation rate for K-12 is about 80% (one student in five fail). The purpose of teaching is to teach those who fail...not those that succeed.

Of course, this thread is about (again) raising taxes to provide "Cadillac" insurance benefits to educators. Although the rigor and intensity in training teachers has increased dramatically...that "drop out" rate has remained relatively constant for the past four or five decades. These better trained teachers are simply not producing better students; and IMO, not deserving higher salaries. Just an opinion.

As a side note in assigning professional peer grouping. Do you find it telling that most engineers can easily become certified teachers...but few teachers are capable of becoming certified engineers?

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