

Mandate Review Request #2012050007

Note: All information below was provided by the local government/Mandate Relief Council Member requesting that a mandate be reviewed. Neither the Council nor its staff has verified the accuracy of the information provided or made any other edits.

Name of Local Government: Potsdam Central School District
Type of Local Government: School District
County: St. Lawrence

Name of Mandate: Health Insurance Contribution

Type of Mandate: Statute

Citation for Mandate: Article 31 of the NYS Education Law

Description of Mandate: Current law requires Boards of Education to negotiate increases in health insurance premium contributions from employees. The Potsdam CSD supports the New York State School Boards Association proposal to create a minimum contribution for all school employees.

Recommended Change: This language was provided by the New York State School Boards Association:

Section 1. A new section 1527-a is added to article 31 of the education law to read as follows:

§1527-a. Health care premium contribution. 1.The following terms used in this article shall have

the following meanings:

a. "Employer" shall mean the school district or board of cooperative educational service (BOCES) by which the employee is paid.

b. "Employee" shall mean any individual instructional or non-instruction staff employed by a

school district or board of cooperative educational services.

c. "Retiree" shall mean any former employee who has retired from a school district or board of

cooperative educational services.

d. "Health care premium" shall mean the total cost of any employee or retiree health care

benefit plan which provides for payment or reimbursement of health care expenses, health care

services, disability payments, or any other benefits under a policy of insurance or contract with an individual or group.

2. Notwithstanding any provisions or law to the contrary, in collectively bargaining agreements

entered into on or after the effective date of this chapter, the contribution amount to be due and

payable by each employer shall not exceed eighty-five percent of the total health care benefit premium for an individual employee and shall not exceed seventy-five percent of the total health care benefit premium for an employee electing family coverage. The remainder of the total health care premium shall be paid by the employee or retiree.

§ 2. This act shall take effect immediately; provided, that this act shall apply to contracts entered into, issued, renewed, modified, altered, or amended on or after such effective date.

Estimated Savings from the Recommended Change to the Local Government:
\$404,000.00

Estimated Statewide Savings from the Recommended Change: According to NYSSBA, these changes could save as much as \$2,169 per teacher and \$2,507 per retiree, depending on the type of pla

Description of Methodology Used in Estimating Savings: For the Potsdam CSD we calculated the savings if all of our employees and retirees paid a minimum of 15% of an individual health insurance premium and 25% of a family plan instead of the existing contributions which are lower.