Provider switch likely to save school district more than \$190,000 a year

The Cedar Grove-Belgium School Board and teachers union have agreed to switch to a private health insurance provider to help offset an 8.4% cut in state aid and a 9.7% increase in the cost of health insurance.

The union and board both voted last Friday to switch from WEA Trust to Humana, days before teacher contract negotiations were to start.

Switching health carriers will save the district about \$190,000 this year, Supt. Steve Shaw said. District officials expect to lose more than \$600,000 in state aid under Gov. Scott Walker's proposed budget.

Shaw said Friday was one of his "happier days," and praised the teachers for their commitment.

"I think it shows that they're great team players. They're part of our district instead of just employees of the district," he said.

The School Board approved switching health insurance carriers, 6-0. Board president Jim Lautenschlaeger echoed Shaw's thoughts.

"I would say that the teachers understand the budgetary restraints that we face and are helping us balance the budget. Without their help in this, we would be facing challenging times," Lautenschlaeger said. "We have the best teachers and I am proud of the work that they do every day to teach the kids of Cedar Grove – Belgium."

Scott Tipple, chief negotiator for the Cedar Grove-Belgium Education Association, said a "sizable majority" of the 85 teachers represented by the union voted in favor of the insurance switch. He said the teachers want to avoid layoffs, maintain class sizes and work with the district.

"There's recognition on both sides that no matter what happens with the budget-repair bill, there's going to be a sizeable budget problem next year," Tipple said. "This is us doing our part to help the district balance its budget."

The Humana insurance plan has a \$2,000 deductible for single coverage and a \$4,000 deductible for the family plan. The school district will pay the first \$1,500 for singles and \$3,000 for families.

The WEA plan had \$100 single and \$200 family deductibles, Tipple said.

The new plan has no co-pays, and all preventative care is covered.

Tipple said he hopes the teachers' willingness to switch to a less expensive health insurance plan will have an impact on contract negotiations, which were to start Wednesday.

Teachers agree to insurance plan

Written by MITCH MEARSCH Wednesday, 15 June 2011 15:16

What form those negotiations will take is unclear given the status of the budget-repair law, which is expected to be enacted soon. The Wisconsin Supreme Court on Tuesday cleared the way for the implementation of the law, ruling that legislators did not violate the state's Open Meetings Law when they hastily approved the measure in March.

The law will do away with most collective bargaining rights, allowing unions to negotiate only for wage increases up to the rate of inflation.

The budget-repair law would require public employees to pay at least 12% of their health insurance premium and half their pension contribution. The employee pension contribution alone is estimated to save Cedar Grove-Belgium \$141,000 annually.

Currently teachers contribute nothing to their pensions.