
COLLECTIVE BARGAINING AGREEMENT

THE STATE OF WASHINGTON

AND

**SCHOOL EMPLOYEES' BENEFITS BOARD
COALITION**

EFFECTIVE

JULY 1, 2025 THROUGH JUNE 30, 2027



2025-2027

**SCHOOL EMPLOYEES’ BENEFITS BOARD COALITION
2025-2027**

ARTICLE 1 SCHOOL EMPLOYEES HEALTH CARE FUNDING	1
1.1 Medical Benefits Funding.....	1
1.7 Benefit Allocation Factor.....	1
1.8 Surcharges.....	1
1.9 Wellness.....	2
1.10 Flexible Spending Arrangement (FSA) Benefit	2
1.11 Quarterly Collaboration Meetings	3
ARTICLE 2 GRIEVANCE PROCEDURE.....	3
2.2 Terms and Requirements	3
2.3 Filing and Processing	4
ARTICLE 3 SAVINGS CLAUSE	6
ARTICLE 4 TERM OF AGREEMENT.....	7
ARTICLE 5 LEGISLATIVE CHANGE CLAUSE	7

MEMORANDUM OF UNDERSTANDING (MOU)

A. EQUITABLE ELIGIBILITY AND ACCESS TO SEBB BENEFITS.....	M-1
B. PROVIDER NETWORK ACCESS	M-3

SIGNATURE PAGE

ARTICLE 1

SCHOOL EMPLOYEES HEALTH CARE FUNDING

1.1 Medical Benefits Funding

For benefits during the plan years beginning January 1, 2025 and January 1, 2026, the Employer Medical Contribution (EMC) will be an amount equal to eighty-five percent (85%) of the monthly premium for the self-insured SEBB Uniform Medical Plan (UMP) Achieve 2 and no less than six hundred dollars (\$600.00). The parties mutually agree that if the state, including the School Employees Benefit Board, adopts plan design changes in UMP Achieve 2 that have the net effect of shifting health care costs from employers to plan participants, the School Employees Coalition and the Washington State Office of Financial Management agree to meet to negotiate the impact of those changes. In no instance will the employee contribution be less than two percent (2%) of the EMC per month. For employees covering a spouse, state-registered domestic partner and/or children, the EMC rate and minimum employee contribution will be calculated using the tier ratios established by the School Employees Benefits Board (SEBB).

1.2 Employers will contribute one hundred percent (100%) of the premium cost across all tiers for dental insurance coverage and stand-alone vision.

1.3 The projected monthly employer contribution of six dollars (\$6.00) per employee bargained in the 2023-2025 SEB healthcare bargaining agreement will carry forward in the 2025-2027 agreement as part of the base funding.

1.4 Employers will contribute one hundred percent (100%) of the premium cost for basic life and any offered basic long-term disability insurance.

1.5 Employers will contribute one hundred percent (100%) of the K-12 Remittance.

1.6 Employers must contribute the same amount per month for all eligible employees anticipated to work six hundred and thirty (630) hours or more, regardless of funding source.

1.7 Benefit Allocation Factor

For the purpose of generating state insurance benefit contributions for school employees, state-funded staff unit allocations including those in the pupil transportation program will be adjusted using a Benefit Allocation Factor (BAF). The BAF will be calculated separately for certificated and classified staff. State-funded classified staff unit allocations will be multiplied by a BAF of one and forty-three hundredths (1.43) and state-funded certificated staff unit allocations will be multiplied by a BAF of one and two hundredths (1.02). These factors are intended to adjust staff unit allocations on the basis of six hundred and thirty (630) hours of work per year.

1.8 Surcharges

In accordance with the applicable statutory direction, the State will collect a twenty-five dollar (\$25.00) per month surcharge payment from employee subscribers with one (1) or more members on their accounts who use tobacco products, and a surcharge payment of

not less than fifty dollars (\$50.00) per month from employee subscribers who cover a spouse or state-registered domestic partner, where the spouse or state-registered domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent (95%) of the actuarial value of the Public Employees' Benefit Board plan with the largest enrollment. The surcharge payments shall be collected in addition to the employee subscriber premium payment. The State will cease collecting surcharges from employee subscribers if not required by statute or budget proviso.

1.9 Wellness

Eligible employees who are enrolled as a subscriber in a SEBB medical plan will have the option to earn an annual one hundred twenty-five dollars (\$125.00) wellness incentive in the form of a reduction in the medical deductible or a deposit into the Health Savings Account upon successful completion of required SmartHealth Program activities. SmartHealth Program required activities must be completed in the plan year prior to the plan year in which the incentive is awarded.

1.10 Flexible Spending Arrangement (FSA) Benefit

A. During January 2026 and again in January 2027, the Employer will make available two (\$200.00) in a flexible spending arrangement (FSA) account for each eligible employee who meets the criteria in Subsection 1.10(B) below.

B. In accordance with IRS regulations and guidance, the Employer FSA funds will be made available for an eligible employee who:

Is occupying a position that had an annual "earnable compensation", as defined in Chapter [41.32 RCW](#), or "compensation earnable", as defined in Chapter [41.35 RCW](#), up to forty thousand (\$40,000) reported by a SEBB program Employing Agency, as defined in [RCW 41.05.011](#), to the Department of Retirement Systems (DRS) for the state fiscal year prior to the plan year in which Employer FSA funds are being made available; and

Meets SEBB program eligibility requirements to receive the Employer contribution for SEBB medical benefits on January 1 of the plan year in which the Employer FSA funds are made available, is not enrolled in a high-deductible health plan with a health savings account and does not waive enrollment in a SEBB medical plan except to be covered as a dependent on another SEBB non-high deductible health plan.

C. The parties agree and understand the following limitations that exist by using the DRS reported salary information:

The DRS data supplied to HCA each fall with the prior state fiscal year annual salary information will be the sole source of information used by HCA to apply the salary eligibility threshold in this agreement.

- D. An FSA will be established for all employees eligible under this Section who do not otherwise have one. An employee who is eligible for Employer FSA funds may decline this benefit but cannot receive cash in lieu of this benefit
- E. The provisions of the State's salary reduction plan will apply. In the event that a federal tax that takes into account contributions to an FSA is imposed on SEBB health plans, this provision will automatically terminate. In such an event, the parties agree to meet and negotiate over the termination of this benefit.
- F. In the event that DRS is unable to send the necessary data to HCA, the parties agree to meet and negotiate over the termination of this benefit.

1.11 Quarterly Collaboration Meetings

The parties agree to meet quarterly to discuss issues of mutual concern.

ARTICLE 2 GRIEVANCE PROCEDURE

- 2.1** The School Employees Coalition and the Washington State Office of Financial Management (OFM) agree that it is in the best interest of all parties to resolve disputes at the earliest opportunity and at the lowest level. The Coalition and OFM are committed to assisting in resolution of disputes as soon as possible. In the event a dispute is not resolved in an informal manner, this Article provides a formal process for problem resolution.

2.2 Terms and Requirements

- A. Grievance Definition
A grievance is an allegation by the Coalition that there has been a violation, misapplication, or misinterpretation of this Agreement, which occurred during the term of this Agreement.
- B. Filing a Grievance
Grievances may be filed by the Coalition, by email to labor.relations@ofm.wa.gov.
- C. Computation of Time
The time limits in this Article must be strictly adhered to unless mutually modified in writing. Days are calendar days, and will be counted by excluding the first day and including the last day of timelines. When the last day falls on a Saturday, Sunday or legal holiday (as set forth in [RCW 1.16.050](#)), the last day will be the next day that is not a Saturday, Sunday or legal holiday. Grievances, appeals and responses will be transmitted by email.
- D. Failure to Meet Timelines
Failure by the Coalition to comply with the timelines will result in the automatic withdrawal of the grievance. Failure by OFM to comply with the timelines will entitle the Coalition to move the grievance to the next step of the procedure.

E. Contents

The written grievance must include the following information:

1. A statement of the pertinent facts surrounding the grievance and the specific manner in which Coalition bargaining unit members have been harmed;
2. The date upon which the incident occurred;
3. The specific Article and Section of the Agreement violated;
4. The steps taken to informally resolve the grievance and the individuals involved in the attempted resolution;
5. The specific remedy requested; and
6. The name of the Coalition representative.

F. Modifications

No newly alleged violations and/or remedies may be made after the initial written grievance is filed, except by written mutual agreement.

G. Resolution

If OFM provides the requested remedy or a mutually agreed-upon alternative, the grievance will be considered resolved and may not be moved to the next step.

H. Withdrawal

A grievance may be withdrawn at any time.

I. Resubmission

If terminated, resolved or withdrawn, a grievance cannot be resubmitted.

J. Consolidation

OFM may consolidate grievances arising out of the same set of facts.

K. Bypass

Any of the steps in this procedure may be bypassed with mutual written consent of the parties involved at the time the bypass is sought.

2.3 Filing and Processing

A. Filing

A grievance must be filed within twenty-one (21) days of the occurrence giving rise to the grievance or the date the Coalition knew or could reasonably have known of the occurrence. This twenty-one (21) day period will be used to attempt to informally resolve the dispute.

B. Processing

Step 1 – Office of Financial Management/State Human Resources Labor Relations and Compensation Policy Section (LR&CP)

If the issue is not resolved informally, the Coalition may present a written grievance to the OFM State Human Resources Labor Relations and Compensation Policy Section (LR&CP) (labor.relation@ofm.wa.gov) within the twenty-one (21) day period described above. LR&CP will meet or confer by telephone with a Coalition representative within twenty-one (21) days of receipt of the grievance, and will respond in writing to the Coalition within thirty (30) days after the meeting.

Step 2 – Mediation

If the grievance is not resolved at Step 1, the Coalition may choose to file a request for mediation with the Public Employment Relations Commission (PERC) in accordance with [WAC 391-55-020](#), with a copy to the LR&CP (labor.relations@ofm.wa.gov) within thirty (30) days of receipt of the Step 1 decision.

The proceedings of any mediation meeting will not be reported or recorded in any manner, except for agreement that may be reached by the parties during the course of the mediation. Statements made by or to the mediator, or by or to any party or other participant in the mediation, may not later be introduced as evidence, may not be made known to an arbitrator or hearings examiner at a hearing, or may not be construed for any purpose as an admission against interest, unless they are independently admissible.

Step 3 – Arbitration

If the grievance is not resolved at Step 2, the Coalition may file a request for arbitration. The demand to arbitrate the dispute must be filed with the American Arbitration Association (AAA) within thirty (30) days of the mediation session.

C. Selecting an Arbitrator

The parties will select an arbitrator by mutual agreement or by alternately striking names supplied by the AAA, and will follow the Labor Arbitration Rules of the AAA, unless they agree otherwise in writing.

D. Authority of the Arbitrator

1. The arbitrator will:

- a. Have no authority to rule contrary to, add to, subtract from, or modify any provision of this Agreement;
- b. Be limited in their decision to the grievance issue(s) set forth in the original written grievance unless the parties agree to modify it; and
- c. Not make any award that provides the Coalition with compensation greater than would have resulted had there been no violation of this Agreement.

2. The arbitrator will hear arguments on and decide issues of arbitrability before the first day of arbitration at a time convenient for the parties, through written briefs immediately prior to hearing the case on its merits, or as a part of the entire hearing and decision-making process. If the issue of arbitrability is argued prior to the first day of arbitration, it may be argued in writing or by telephone, at the discretion of the arbitrator. Although the decision may be made orally, it will be put in writing and provided to the parties.
3. The decision of the arbitrator will be final and binding upon the Coalition and OFM.

E. Arbitration Costs

1. The expenses and fees of the arbitrator, and the cost (if any) of the hearing room, will be shared equally by the parties.
2. If the arbitration hearing is postponed or canceled because of one (1) party, that party will bear the cost of the postponement or cancellation. The costs of any mutually agreed upon postponements or cancellations will be shared equally by the parties.
3. If either party desires a record of the arbitration, a court reporter may be used. If that party purchases a transcript, a copy will be provided to the arbitrator free of charge. If the other party desires a copy of the transcript, it will pay for half of the costs of the fee for the court reporter, the original transcript and a copy.
4. Each party is responsible for the costs of its representatives and attorneys, and all other costs related to the development and presentation of their case. Every effort will be made to avoid the presentation of repetitive witnesses. The Coalition is responsible for paying any travel or per diem expenses for its witnesses.
5. If, after the arbitrator issues the award, either party files a motion with the arbitrator for reconsideration, the moving party will bear the expenses and fees of the arbitrator.

ARTICLE 3

SAVINGS CLAUSE

If any court of competent jurisdiction or administrative agency of competent jurisdiction finds any Article, Section or portion of the Agreement to be unlawful or invalid, the remainder of the Agreement will remain in full force and effect. If such a finding is made, a substitute for the unlawful or invalid Article, Section or portion will be negotiated at the request of either party. Negotiations will begin within thirty (30) calendar days of the request.

ARTICLE 4

TERM OF AGREEMENT

This Agreement shall be effective July 1, 2025, and shall remain in full force and effect until June 30, 2027. If no successor agreement has been reached or if the legislature has not approved appropriations required to fund the economic provisions of a successor agreement as of June 30, 2027, all the terms of this Agreement shall remain in effect until the effective date of a subsequent agreement, not to exceed one (1) year from the expiration date. Thereafter, the State of Washington may unilaterally implement according to law.

ARTICLE 5

LEGISLATIVE CHANGE CLAUSE

If the Legislature makes changes in statute or budget proviso that impact matters within the scope of bargaining under [RCW 41.56.500](#) or [RCW 41.59.105](#), the School Employees Coalition and the Washington State Office of Financial Management (OFM) agree to meet and negotiate the impacts of the legislative change or changes. A request to negotiate the impacts of legislative changes may be made by either party within thirty (30) calendar days following the legislative change being signed into law. The parties will schedule the meeting within thirty (30) calendar days of the request. Provided the Legislature has approved the submission of the request for funds for this Agreement in accordance with [RCW 41.56.500](#)(4) and [RCW 41.59.105](#)(4), this Agreement will remain in full force and effect during the pendency of any impact bargaining under this Article. Any subsequent agreement reached between the parties as a result of impact bargaining under this Article that requires funding will be prospective only, must be provided to the Director of Office of Financial Management by October 1st of that year, and will follow the process to be approved or rejected by the subsequent year's Legislature consistent with [RCW 41.56.500](#) and [RCW 41.59.105](#).

**A. MEMORANDUM OF UNDERSTANDING
BETWEEN
THE STATE OF WASHINGTON
AND
THE SCHOOL EMPLOYEES LABOR COALITION**

Equitable Eligibility and Access to SEBB Benefits

The Coalition and the State are both interested in ensuring equitable access to health care and consistent eligibility standards across the state in accordance with the statutes and policies determined by the Legislature and the School Employees' Benefits Board (SEBB). The parties have met during 2023 and 2024 to review and discuss equitable implementation of the SEBB program as well as global issues around inequitable access and treatment in health care. The parties are committed to continuing this work during the term of this Agreement.

The parties will continue discussions focused on consistent and equitable implementation of SEBB policies. These discussions will include reviewing data that may be needed to better evaluate eligibility and equitable access to benefits within the SEBB program. Examples may include data that would allow for analysis by job classification with classified administrators and supervisors grouped as their own job classification, by hours worked, race and ethnicity, and by income. The Coalition will have access to this data in aggregate form to ensure protection of individual identifying information and protected health information, as required by state and federal law. Any data sharing is subject to execution of a Data Sharing Agreement (DSA) and approval by HCA's Data Utilization Committee (DUC).

The parties also agree to review the appeals process and discuss improvements in the SEBB appeals system.

If there are noticeable inconsistencies in health benefit eligibility identified across SEBB employers, the parties may recommend to the SEBB policies and guidance that could bring greater consistency in the application of eligibility standards across the state.

There is not a formal report expected from this work, but, where possible, these meetings may identify policy positions that could be jointly supported by the Coalition and the governor before the Legislature.

This MOU is not precedent setting and does not establish a practice nor does it create a future obligation on either party other than what is contained here. Activities undertaken by the parties in fulfillment of this MOU should not be construed as modifying the scope of bargaining provided for in [RCW 41.56.500](#) or [RCW 41.59.105](#).

This MOU will expire on June 30, 2027.

TENTATIVE AGREEMENT REACHED

An electronic signature to this Agreement shall be given effect as if it were an original signature.

For the Employer Date

 /s/ 8/20/2024

Janetta Sheehan, Sr. Labor Negotiator
OFM/SHR Labor Relations &
Compensation Policy Section

For the SEB Coalition Date

 /s/ 8/20/2024

Jared Mason-Gere, Lead Negotiator
School Employees' Labor Coalition

**B. MEMORANDUM OF UNDERSTANDING
BETWEEN
THE STATE OF WASHINGTON
AND
THE SCHOOL EMPLOYEES LABOR COALITION**

Provider Network Access

The Coalition and the State both recognize the challenging circumstances that members experience when faced with the prospect, or actual termination, of a provider's network status in the middle of plan year. The parties will include this topic as a standing agenda item on their regularly scheduled stakeholder meetings throughout the year. At a minimum, discussions at these meetings should include Coalition updates on provider access issues their members are facing and HCA updates on policy approaches being considered or pursued on this topic. Both parties shall work in tandem to develop and disseminate communications tools to help SEBB members prepare for or navigate loss or anticipated loss of in-network access to health care systems.

This MOU is not precedent setting and does not establish a practice nor does it create a future obligation on either party other than what is contained here. Activities undertaken by the parties in fulfillment of this MOU should not be construed as modifying the scope of bargaining provided for in [RCW 41.56.500](#) or [RCW 41.59.105](#).

This MOU will expire on June 30, 2027.

TENTATIVE AGREEMENT REACHED

An electronic signature to this Agreement shall be given effect as if it were an original signature.

For the Employer Date

For the SEB Coalition Date

/s/ 9/13/2024

/s/ 9/25/2024

Janetta Sheehan, Sr. Labor Negotiator
OFM/SHR Labor Relations &
Compensation Policy Section

Jared Mason-Gere, Lead Negotiator
School Employees' Labor Coalition

THE PARTIES, BY THEIR SIGNATURES BELOW, ACCEPT AND AGREE TO THE TERMS AND CONDITIONS OF THIS COLLECTIVE BARGAINING AGREEMENT.

Executed this 1st day of July 2025.

For the School Employees' Benefits Board Healthcare Coalition:

/s/
Jared Mason-Gere, Lead Negotiator

For the State of Washington:

/s/
Bob Ferguson
Governor

/s/
Gina Comeau, Section Chief
OFM/SHR, Labor Relations and
Compensation Policy Section

/s/
Jenny Sheehan, Lead Negotiator
OFM/SHR, Labor Relations and
Compensation Policy Section