

MEMORANDUM OF UNDERSTANDING
REGARDING HEALTH SAVING ACCOUNT

This Memorandum of Understanding is entered into this 2nd day of September 2025 by and between The Board of Education of the Morton Community Unit School District No. 709 (“District” or “Board”) and the Morton Education Association (“MEA”).

Recitals

- A. The Board and MEA have entered into a collective bargaining agreement for the 2024-2027 term. This agreement shall be referred to herein as the “CBA”; and
- B. Article VIII, E Health Insurance Program of the CBA provides that certain covered employees are eligible for participation in the district health insurance plan, with the Board paying a portion of the required premium; and
- C. The District’s health insurance cooperative, Central Illinois Educators, has introduced the availability of a high-deductible plan option for district employees; and
- D. Employee selection of a high-deductible plan will result in premium cost savings to the District and the employee, with additional health expense exposure depending on claim experience.
- E. The Board of Education is willing to share with employees a portion of its premium savings should the employee select a high deductible plan through contributions to the employee’s health savings account (“HSA”), as more particularly set forth in this Memorandum of Understanding.

Agreement

- 1. Recitals True and Correct. The recitals set forth above are true and correct; therefore,
- 2. HSA Contribution for Employee. Should a covered employee select a high-deductible plan option beginning October 1, 2025, or after, the Board of Education shall contribute fifty percent (50%) of the difference between the district cost of the PPO and the district cost of the HDP to the employee’s HSA. Such contributions shall be made bi-weekly as savings to the district occur. The following is an example of the calculation of the HSA contribution amount for a qualifying employee selecting a high deductible plan:

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	PPO Plan			High Deductible Plan (HDP)		
	Total Annual Premium	Employee Portion	District Portion	Total Annual Premium	Employee Portion	District Portion
EE	\$ 9,144.00	\$ 914.40	\$ 8,229.60	\$ 7,418.16	\$ 741.82	\$ 6,676.34
ES	\$ 19,308.00	\$ 3,861.60	\$ 15,446.40	\$ 15,597.24	\$ 3,119.45	\$ 12,477.79
EC	\$ 17,820.00	\$ 3,564.00	\$ 14,256.00	\$ 14,529.96	\$ 2,905.99	\$ 11,623.97
EF	\$ 28,812.00	\$ 5,762.40	\$ 23,049.60	\$ 23,447.88	\$ 4,689.58	\$ 18,758.30

Calculation: EE PPO District Portion - EE HDP District Portion = Savings
50% of Savings = District Annual Contribution (rounded)
\$8,229.60 - \$6,676.34 = \$1,553.26
50% of \$1,553.26 = \$776.63 (\$777)


	HSA Annual Contribution	HSA Bi-Weekly
EE	\$ 777	\$ 32.38
ES	\$ 1,484	\$ 61.83
EC	\$ 1,316	\$ 54.83
EF	\$ 2,146	\$ 89.42

3. HSA contribution amounts will be adjusted annually, based on the cost of the insurance plans and savings to the district.
4. HSA contribution proration. HSA contributions will be prorated for those employees covered for only a portion of the plan year.
5. All HSA accounts will be created and administered following applicable federal and state laws.
6. Term. This Memorandum of Understanding shall be effective from the date set forth above until the expiration of the 2024-2027 CBA.

IT IS HEREBY AGREED:

The Board of Education of the
Morton Community Unit
School District No. 709

Morton Education Association


Its Board President


Its MEA President