MEMORANDUM OF UNDERSTANDING

2026-02

Medical Insurance

Illinois Valley Community College (College), through its duly authorized agent, and IFT Local 1810 (Union), through its duly authorized agent, agree to the following:

1) This memorandum of understanding shall replace the previous memorandum of understanding dated November 1, 2024.

2) The following shall be applicable to the High Deductible Health Plans (offered by the College to its faculty) during each year of the current Collective Bargaining Agreement:

   a) Embedded Calculation
   Deductible amounts for the "embedded" plan (under the HSA) shall be calculated using an "embedded" process (as opposed to an "aggregated" process), as commonly defined in the insurance industry.

   b) Aggregated Calculation
   Deductible amounts for the "aggregated" plan (under the HSA) shall be calculated using an "aggregated" process (as opposed to an "embedded" process), as commonly defined in the insurance industry.

   c) Affordability as defined by the IRS (Plan 7 Only)
   The affordability percentage under the Affordable Care Act is defined annually by the IRS. The affordability percentage is used to determine if employer-sponsored health coverage is affordable.

3) The Union agrees that the college will no longer offer "embedded" plans and all faculty currently enrolled in an "embedded" plan will enroll in an "aggregated" plan after December 31, 2026.

4) Faculty will be allowed to switch back and forth between the Plan 3 and Plan 7 aggregate plans during open enrollment or for a qualifying event.

5) Deductibles and Out-Of-Pocket Limits (in network) for the Plan 3 aggregate plan.

   The deductibles and out-of-pocket limits for employees under the HSA Plan 3 aggregate option who selected either: 1) individual coverage shall remain as previously agreed upon by the parties ($2000/$4000), 2) Employee plus One, or 3) Family coverages shall remain the same as previously agreed upon by the parties ($4000/$6550).

6) Deductibles and Out-Of-Pocket Limits (in network) for the Plan 7 aggregate plan.

The deductibles and out-of-pocket limits for employees under the HSA Plan 7 aggregate option who selected either: 1) individual coverage shall be ($3,000/$6,000) effective January 1, 2025 2) Employee plus One, or 3) Family coverages shall be ($6,000/$12,000) effective January 1, 2025.

7) In the event that IRS compliance triggers the need to modify deductibles and out-of-pocket max, including meeting the annual affordability percentage for Plan 7, the discussion and change is subject to impact bargaining.

8) The proposed changes to the health insurance plans discussed at the August 3 and 17, 2026 Insurance Panel meetings will go into effect, other than the changes to plan 3. These changes are:

a. Blue Choice Option (Narrow Network)

b. Performance Biosimilar Formulary

c. GLP-1 coverage eliminated for general weight loss (as discussed)

9) In the event the College seeks to make future changes to health insurance plan(s) impacting faculty members, then the College will provide the Federation President notice and an opportunity to bargain the changes. For consortium-level changes, the College will provide the Federation President notice and an opportunity to bargain the impact of the changes.

10) All issues having been resolved, all other provisions of the High Deductible Health Plan shall remain in effect.

College, By Its President

Union, By Its President 10/20/26