

Submitted by
Senator Caswell

SB 7 School District 80/20 and Hard Cap Comparison

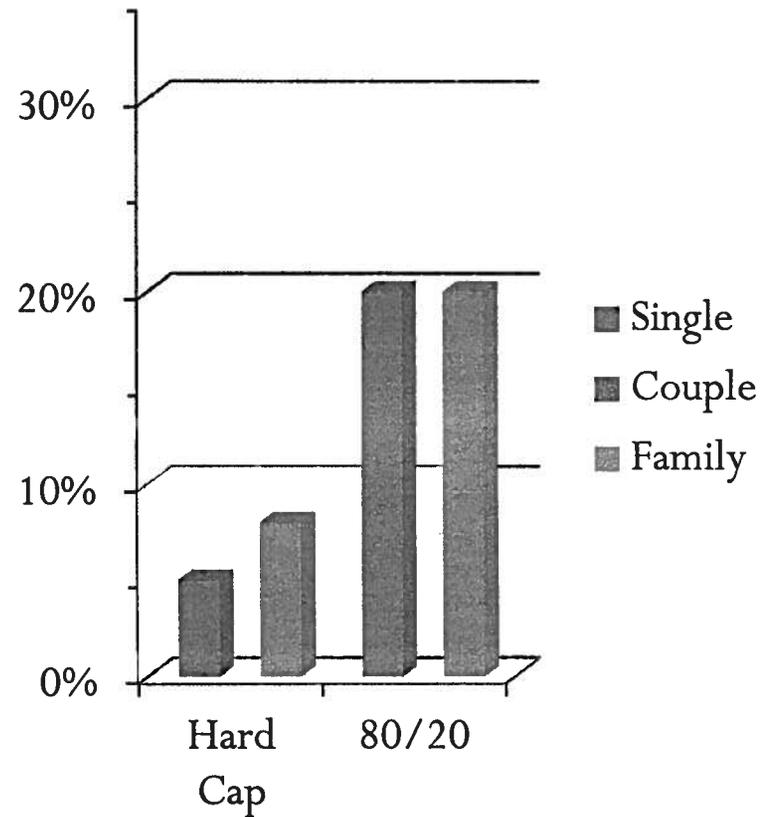
Comparing districts in:

Alma (Gratiot)	Frankenmuth (Saginaw)
Ashley (Gratiot)	Freeland (Saginaw)
Kent County ISD (Kent)	Hemlock (Saginaw)
E. Grand Rapids (Kent)	Merrill (Saginaw)
Brighton (Livingston)	Saginaw Public (Saginaw)
Howell (Livingston)	Saginaw Township (Saginaw)
Traverse City (Grand Traverse)	St. Charles (Saginaw)
Carrollton (Saginaw)	Swan Valley (Saginaw)
Chesaning Union (Saginaw)	Plymouth-Canton (Wayne)

Alma

	Single	Couple	Family
	\$5,808		\$16,272
	x80%	x80%	x80%
Employer share 80%	\$4,646		\$13,018
Employee share 20%	\$1,162		\$3,254

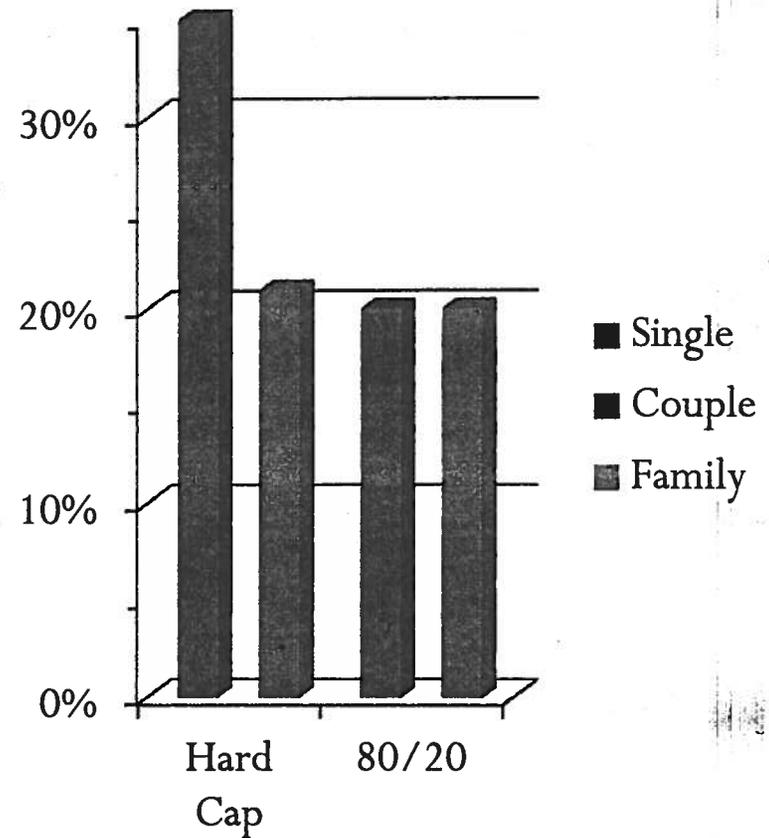
With Hard Cap	\$5,808 > \$5,500		\$16,272 > \$15,000
Employer share	\$5,500		\$15,000
Employee share	\$308		\$1,272
Employer share %	95%		92%
Employee share %	5%		8%



Ashley

	Single	Couple	Family
	\$9,300		\$19,000
	x80%	x80%	x80%
Employer share 80%	\$7,440		\$15,200
Employee share 20%	\$1,860		\$3,800

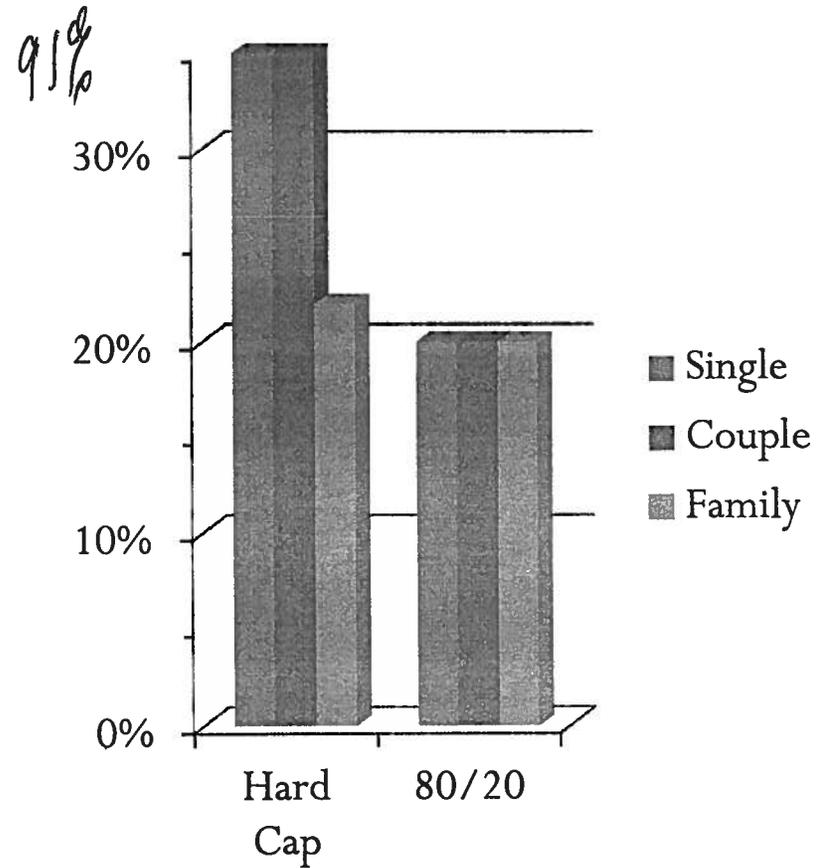
With Hard Cap	\$9,300 > \$5,500		\$19,000 > \$15,000
Employer share	\$5,500		\$15,000
Employee share	\$3,800		\$4,000
Employer share %	59%		79%
Employee share %	41%		21%



Kent County ISD

	Single	Couple	Family
	\$8,495	\$17,520	\$19,320
	x 80%	x 80%	x 80%
Employer share 80%	\$6,796	\$14,016	\$15,456
Employee share 20%	\$1,699	\$3,504	\$3,864

With Hard Cap	\$8,495 > \$5,500	\$17,520 > \$11,000	\$19,320 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$2,995	\$6,520	\$4,320
Employer share %	65%	63%	78%
Employee share %	35%	37%	22%

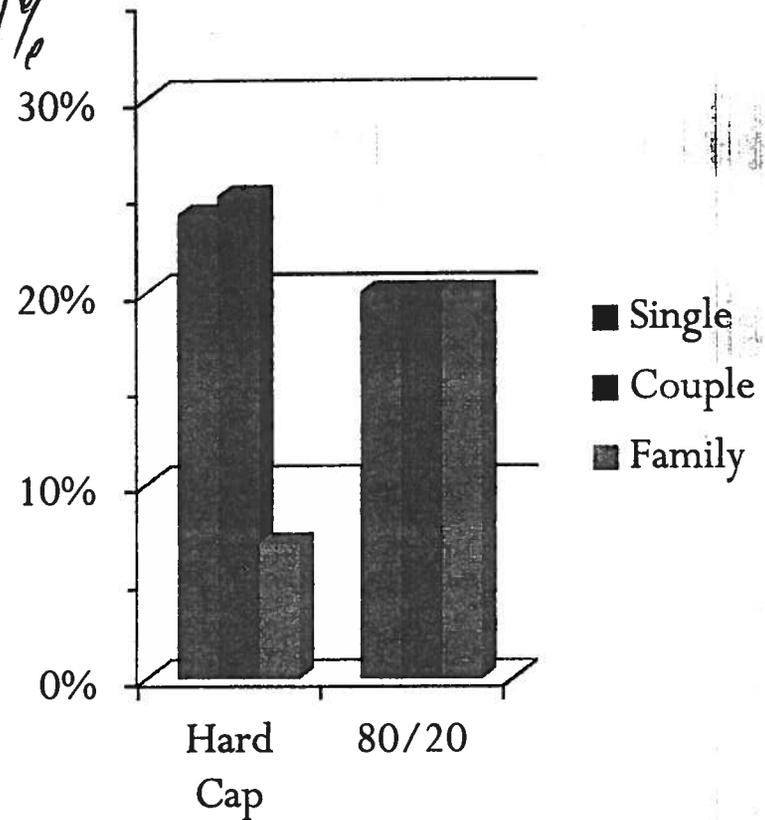


East Grand Rapids

	Single	Couple	Family
	\$7,198	\$14,589	\$16,067
	x 80%	x 80%	x 80%
Employer share 80%	\$5,758	\$11,671	\$12,854
Employee share 20%	\$1,440	\$2,918	\$3,213

With Hard Cap	\$7,198 > \$5,500	\$14,589 > \$11,000	\$16,067 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$1,698	\$3,589	\$1,067
Employer share %	76%	75%	93%
Employee share %	24%	25%	7%

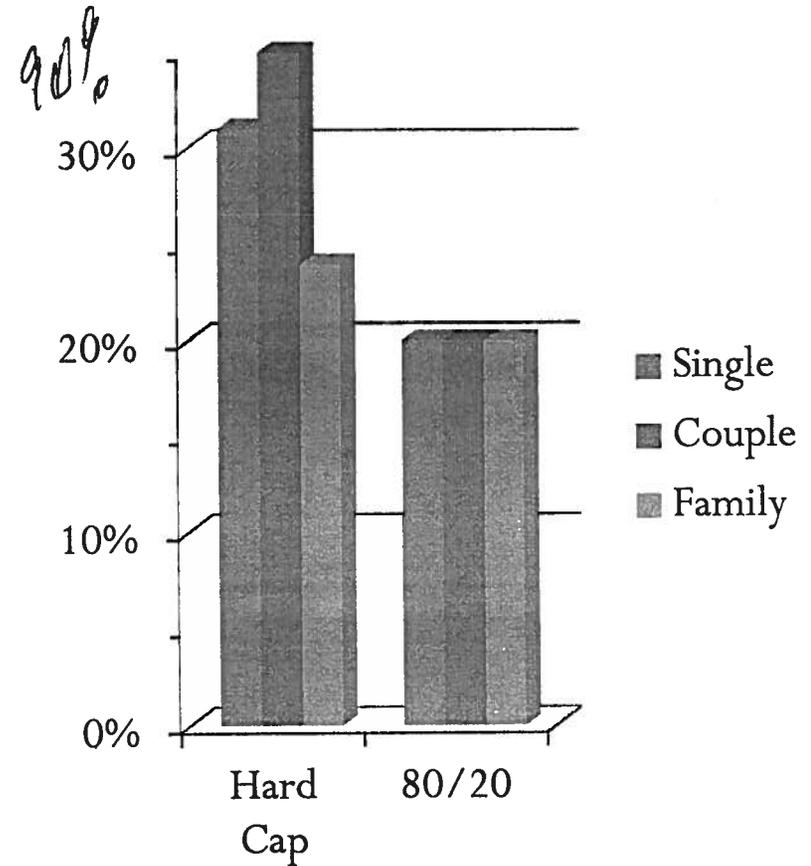
91%



Brighton

	Single	Couple	Family
	\$7,988	\$17,688	\$19,628
	x 80%	x 80%	x 80%
Employer share 80%	\$6,390	\$14,150	\$15,702
Employee share 20%	\$1,598	\$3,538	\$3,926

With Hard Cap	$\$7,988 > \$5,500$	$\$17,688 > \$11,000$	$\$19,628 > \$15,000$
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$2,488	\$6,688	\$4,628
Employer share %	69%	62%	76%
Employee share %	31%	38%	24%

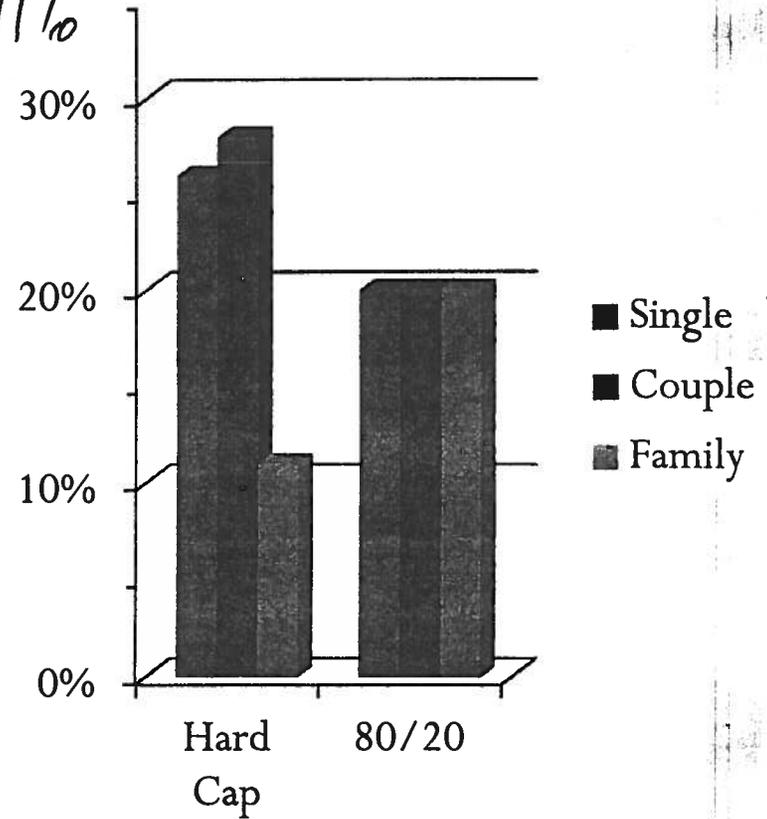


Howell

	Single	Couple	Family
	\$7,429	\$15,266	\$16,834
	x 80%	x 80%	x 80%
Employer share 80%	\$5,943	\$12,213	\$13,467
Employee share 20%	\$1,486	\$3,053	\$3,367

With Hard Cap	\$7,429 > \$5,500	\$15,266 > \$11,000	\$16,834 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$1,929	\$4,266	\$1,884
Employer share %	74%	72%	89%
Employee share %	26%	28%	11%

91%

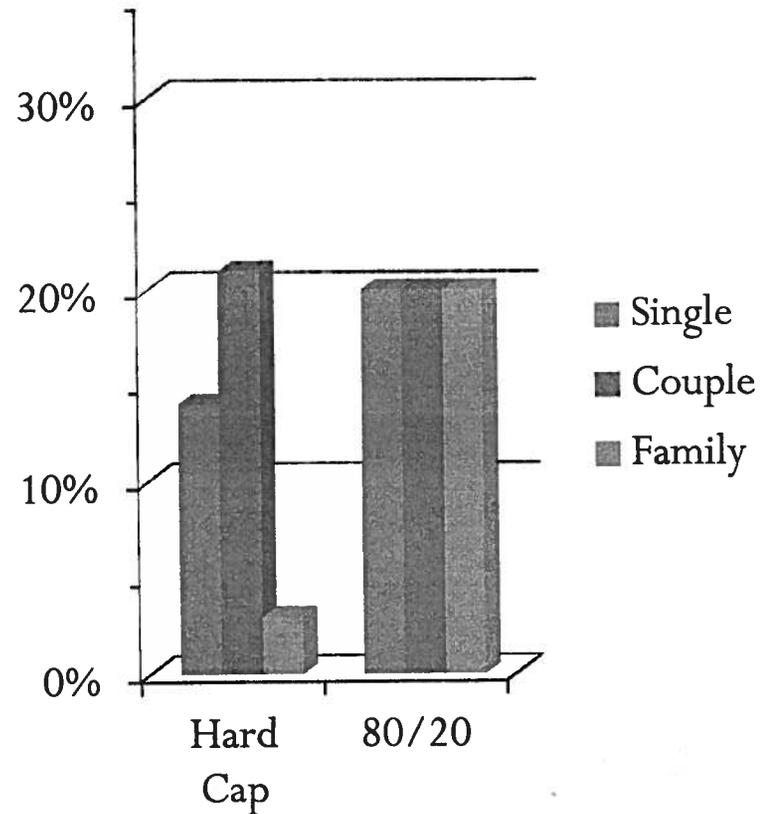


Traverse City

	Single	Couple	Family
	\$6,689	\$14,009	\$15,533
	x 80%	x 80%	x 80%
Employer share 80%	\$5,111	\$11,207	\$12,426
Employee share 20%	\$1,278	\$2,802	\$3,107

90%

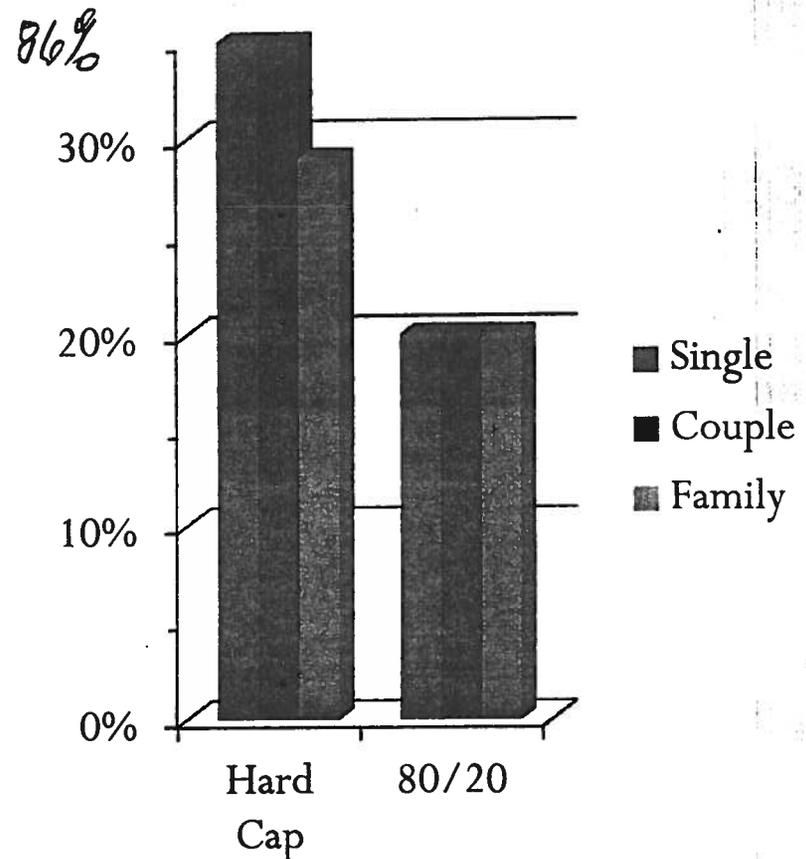
With Hard Cap	\$6,389 > \$5,500	\$14,009 > \$11,000	\$15,533 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$889	\$3,009	\$533
Employer share %	86%	79%	97%
Employee share %	14%	21%	3%



Carrollton

	Single	Couple	Family
	\$9,000	\$18,000	\$21,000
	x 80%	x 80%	x 80%
Employer share 80%	\$7,200	\$14,400	\$16,800
Employee share 20%	\$1,800	\$3,600	\$4,200

With Hard Cap	\$9,000 > \$5,500	\$18,000 > \$11,000	\$21,000 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$3,500	\$7,000	\$7,000
Employer share %	61%	61%	71%
Employee share %	39%	39%	29%

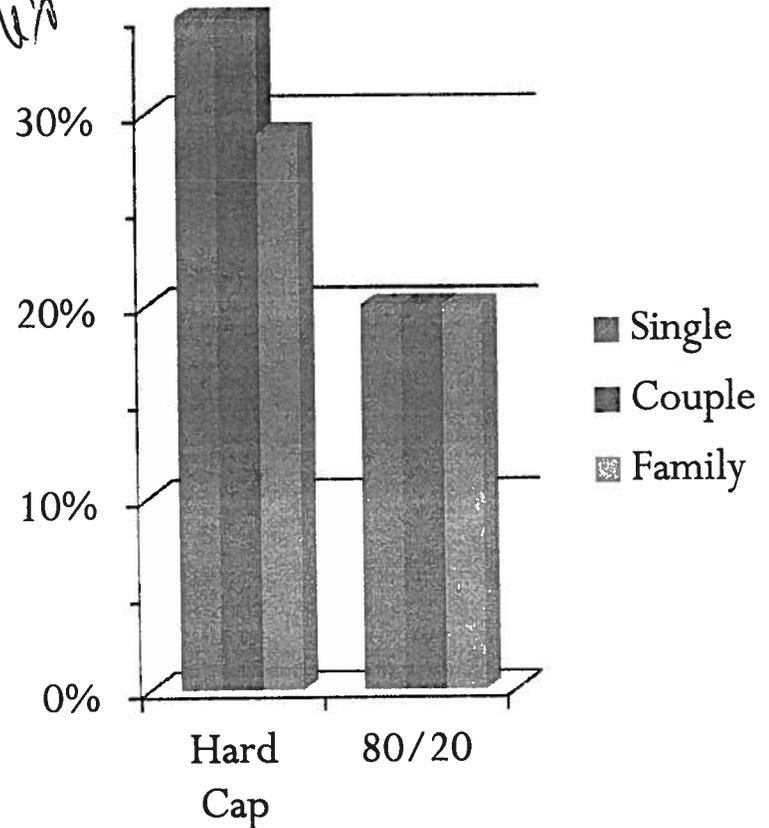


Chesaning Union

	Single	Couple	Family
	\$9,000	\$18,000	\$21,000
	x 80%	x 80%	x 80%
Employer share 80%	\$7,200	\$14,400	\$16,800
Employee share 20%	\$1,800	\$3,600	\$4,200

With Hard Cap	\$9,000 > \$5,500	\$18,000 > \$11,000	\$21,000 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$3,500	\$7,000	\$6,000
Employer share %	61%	61%	71%
Employee share %	39%	39%	29%

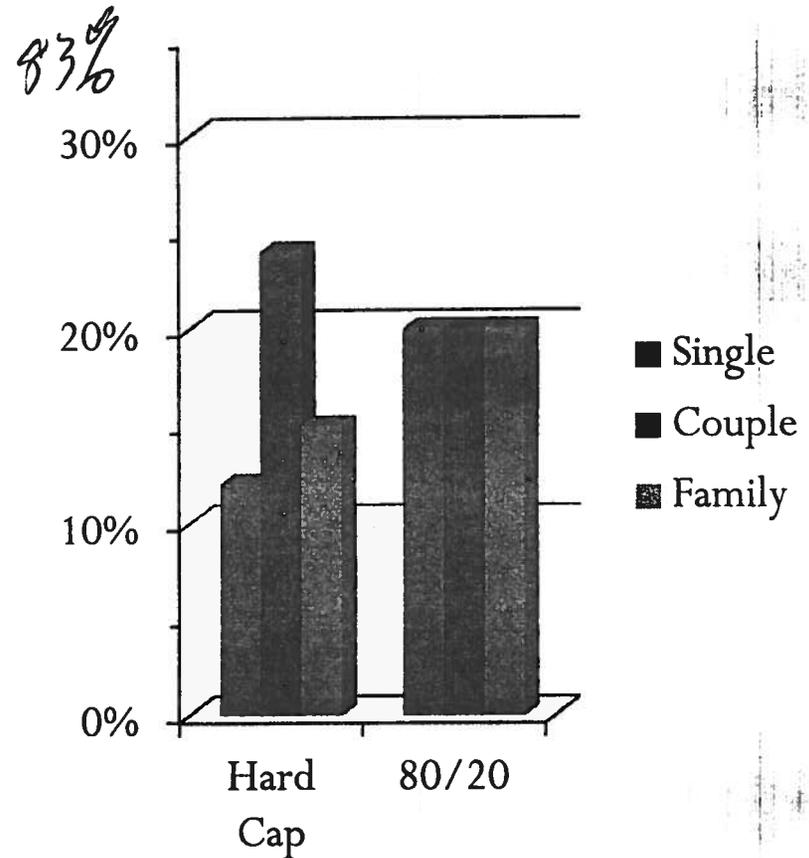
86%



Frankenmuth

	Single	Couple	Family
	\$6,275	\$14,562	\$17,597
	x80%	x80%	x80%
Employer share 80%	\$5,020	\$11,650	\$14,078
Employee share 20%	\$1,255	\$2,912	\$3,519

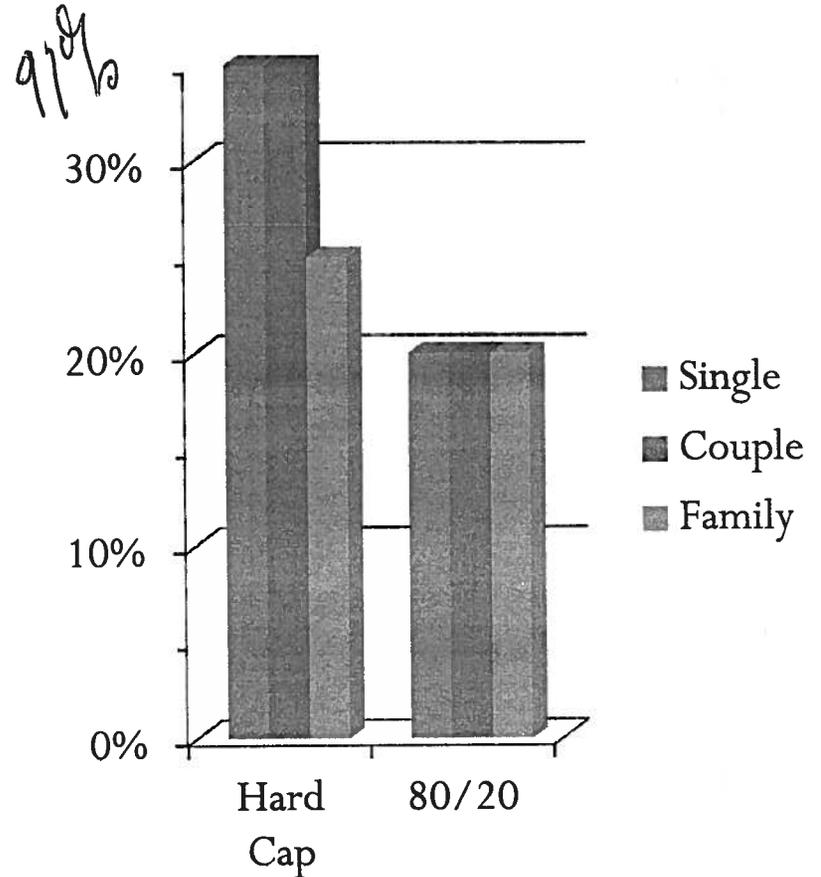
With Hard Cap	\$6,275 > \$5,500	\$14,562 > \$11,000	\$17,597 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$775	\$3,562	\$2,597
Employer share %	88%	76%	85%
Employee share %	12%	24%	16%



Freeland

	Single	Couple	Family
	\$9,254	\$18,289	\$20,095
	x80%	x80%	x80%
Employer share 80%	\$7,403	\$14,631	\$16,076
Employee share 20%	\$1,851	\$3,658	\$4,019

With Hard Cap	\$9,254 > \$5,500	\$18,289 > \$11,000	\$20,095 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$3,754	\$7,289	\$5,095
Employer share %	59%	60%	75%
Employee share %	41%	40%	25%

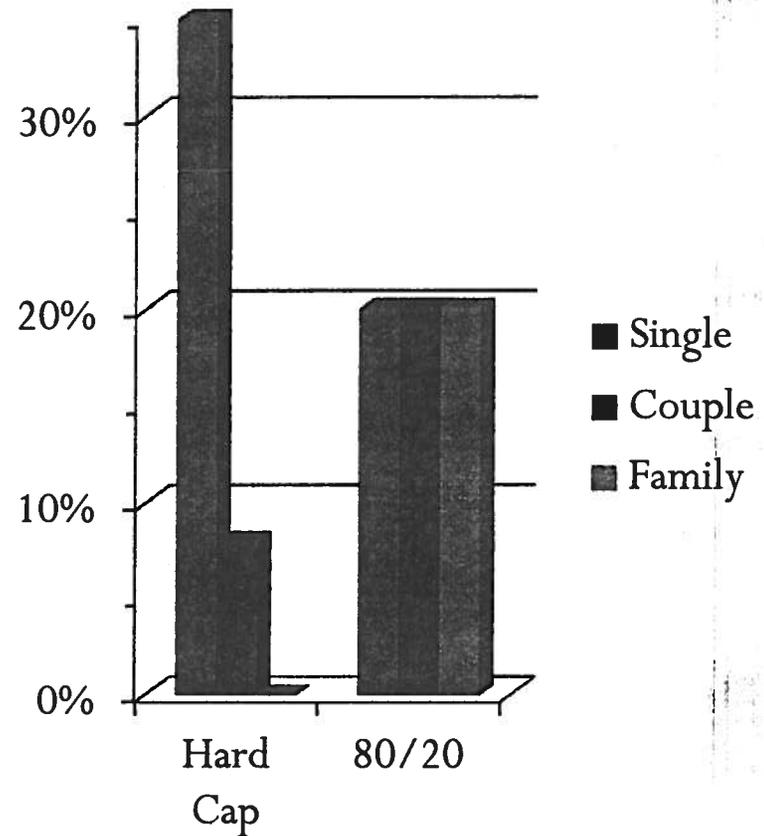


Hemlock

	Single	Couple	Family
	\$11,988	\$11,988	\$11,988
	x80%	x80%	x80%
Employer share 80%	\$9,590	\$9,590	\$9,590
Employee share 20%	\$2,398	\$2,398	\$2,398

With Hard Cap	\$11,988 > \$5,500	\$11,988 > \$11,000	\$11,988 < \$15,000
Employer share	\$5,500	\$11,000	\$11,988
Employee share	\$6,488	\$988	\$0
Employer share %	46%	92%	100%
Employee share %	54%	8%	0%

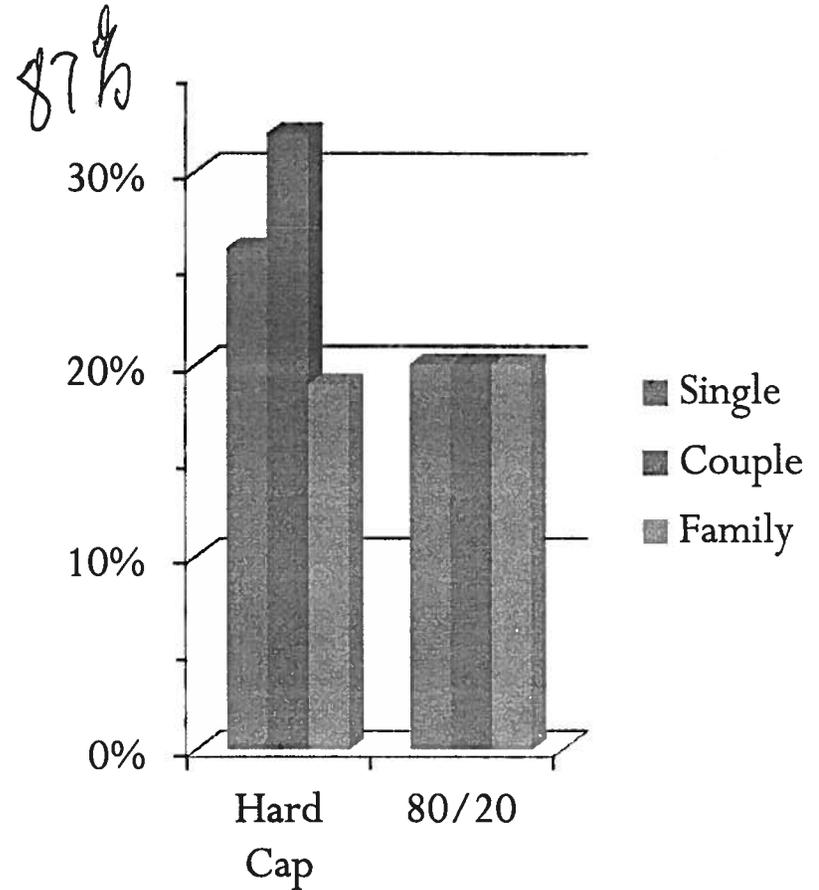
outlier



Merrill

	Single	Couple	Family
	\$7,452	\$16,068	\$18,408
	x80%	x80%	x80%
Employer share 80%	\$5,962	\$12,854	\$14,726
Employee share 20%	\$1,490	\$3,214	\$3,682

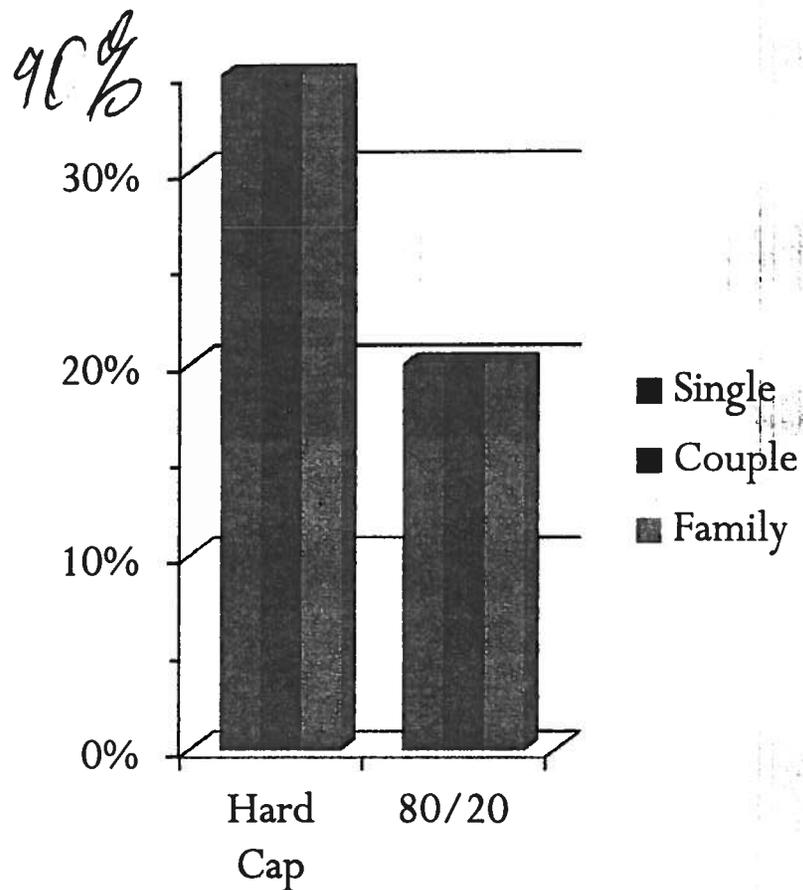
With Hard Cap	\$7,452 > \$5,500	\$16,068 > \$11,000	\$18,408 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$1,952	\$5,068	\$3,408
Employer share %	74%	68%	81%
Employee share %	26%	32%	19%



Saginaw Public

	Single	Couple	Family
	\$9,324	\$20,952	\$23,268
	x80%	x80%	x30%
Employer share 80%	\$7,459	\$16,762	\$18,614
Employee share 20%	\$1,865	\$4,190	\$4,654

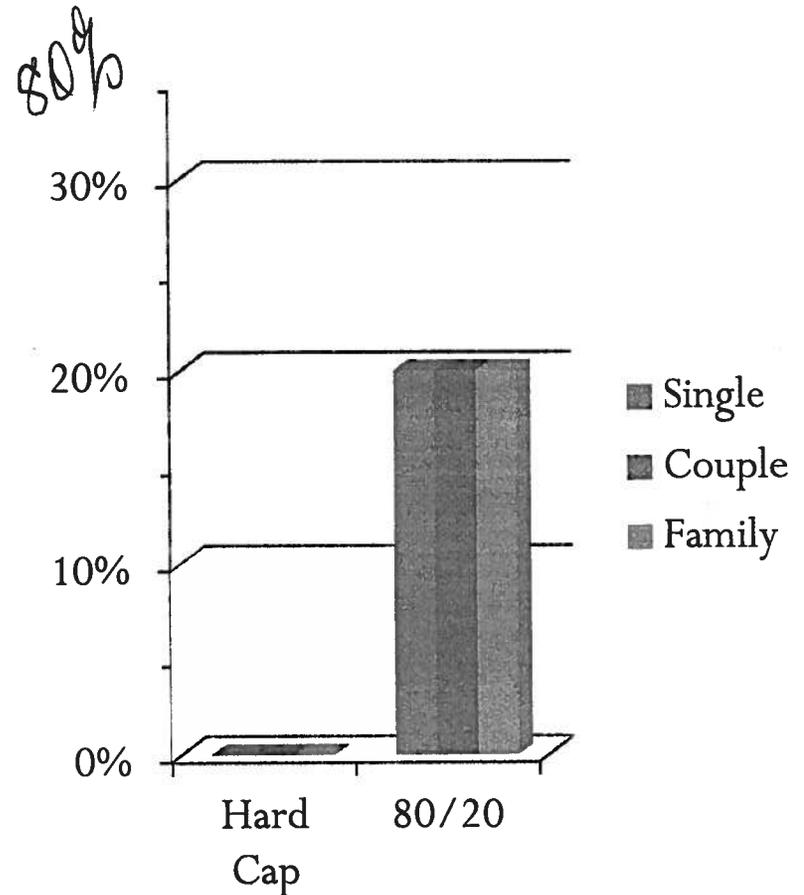
With Hard Cap	\$9,324 > \$5,500	\$20,952 > \$11,000	\$23,268 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$3,824	\$9,952	\$8,268
Employer share %	59%	53%	64%
Employee share %	41%	47%	36%



Saginaw Township

	Single	Couple	Family
	\$4,674	\$10,516	\$13,087
	x80%	x80%	x80%
Employer share 80%	\$3,739	\$8,413	\$10,470
Employee share 20%	\$935	\$2,103	\$2,617

With Hard Cap	\$4,674 < \$5,500	\$10,516 < \$11,000	\$13,087 < \$15,000
Employer share	\$4,674	\$10,516	\$13,087
Employee share	\$0	\$0	\$0
Employer share %	100%	100%	100%
Employee share %	0%	0%	0%

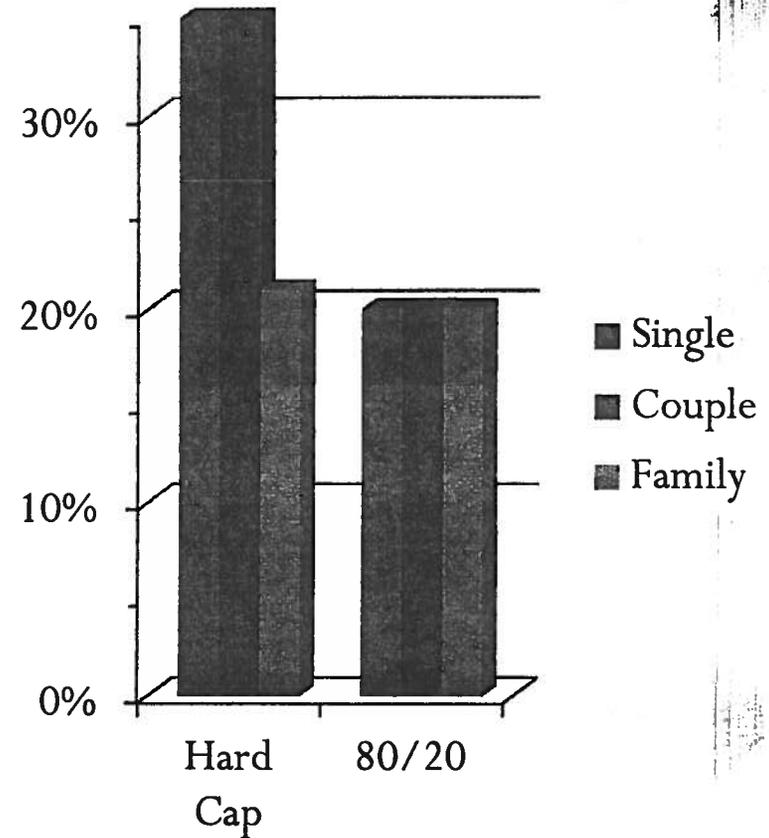


St. Charles

	Single	Couple	Family
	\$19,000	\$19,000	\$19,000
	x80%	x80%	x80%
Employer share 80%	\$15,200	\$15,200	\$15,200
Employee share 20%	\$3,800	\$3,800	\$3,800

With Hard Cap	\$19,000 > \$5,500	\$19,000 > \$11,000	\$19,000 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$13,500	\$8,000	\$4,000
Employer share %	29%	68%	78%
Employee share %	71%	42%	21%

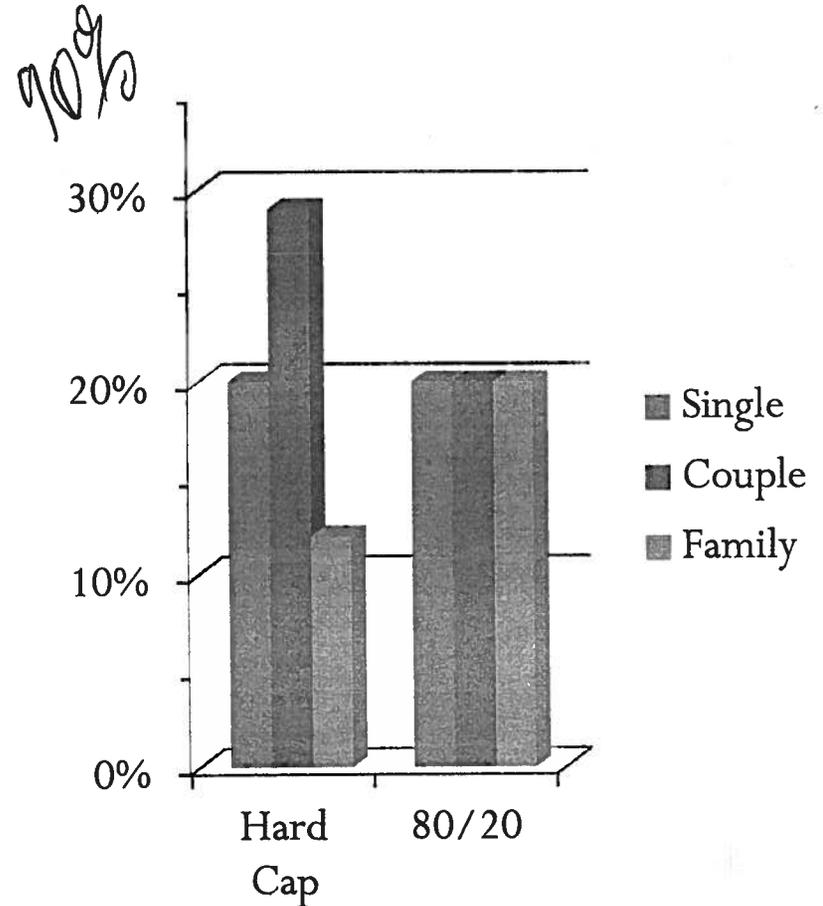
outlier



Swan Valley

	Single	Couple	Family
	\$6,864	\$15,432	\$17,136
	x80%	x80%	x80%
Employer share 80%	\$5,491	\$12,346	\$13,709
Employee share 20%	\$1,373	\$3,086	\$3,427

With Hard Cap	\$6,864 > \$5,500	\$15,432 > \$11,000	\$17,136 > \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$1,364	\$4,432	\$2,136
Employer share %	80%	71%	88%
Employee share %	20%	29%	12%

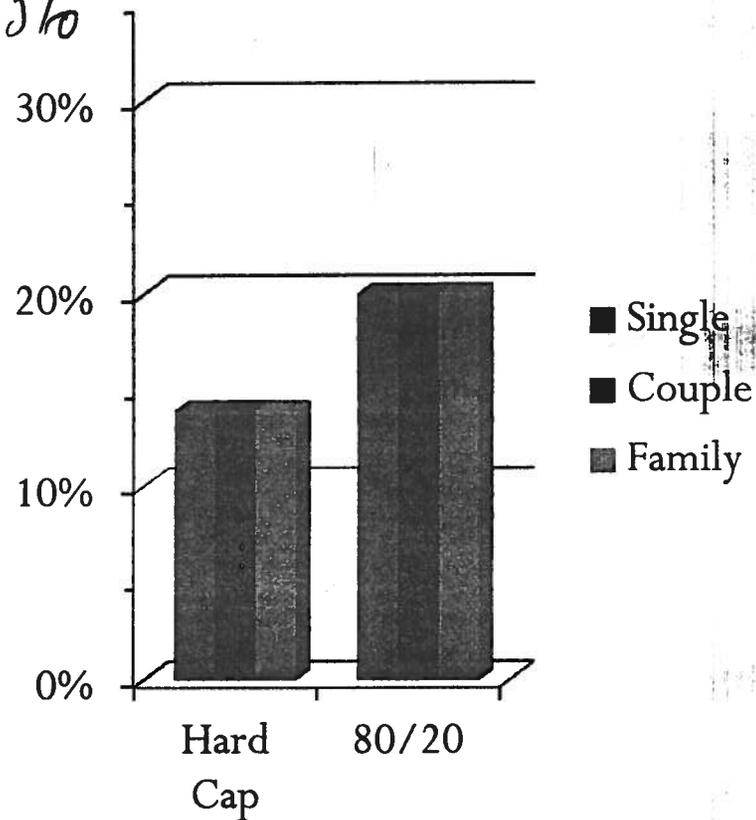


Plymouth-Canton

	Single	Couple	Family
	\$6,371	\$12,741	\$17,519
	x80%	x80%	x80%
Employer share 80%	\$5,097	\$10,193	\$14,015
Employee share 20%	\$1,274	\$2,548	\$3,504

With Hard Cap	\$6,371 < \$5,500	\$12,741 < \$11,000	\$17,519 < \$15,000
Employer share	\$5,500	\$11,000	\$15,000
Employee share	\$871	\$1,741	\$2,519
Employer share %	86%	86%	86%
Employee share %	14%	14%	14%

73%

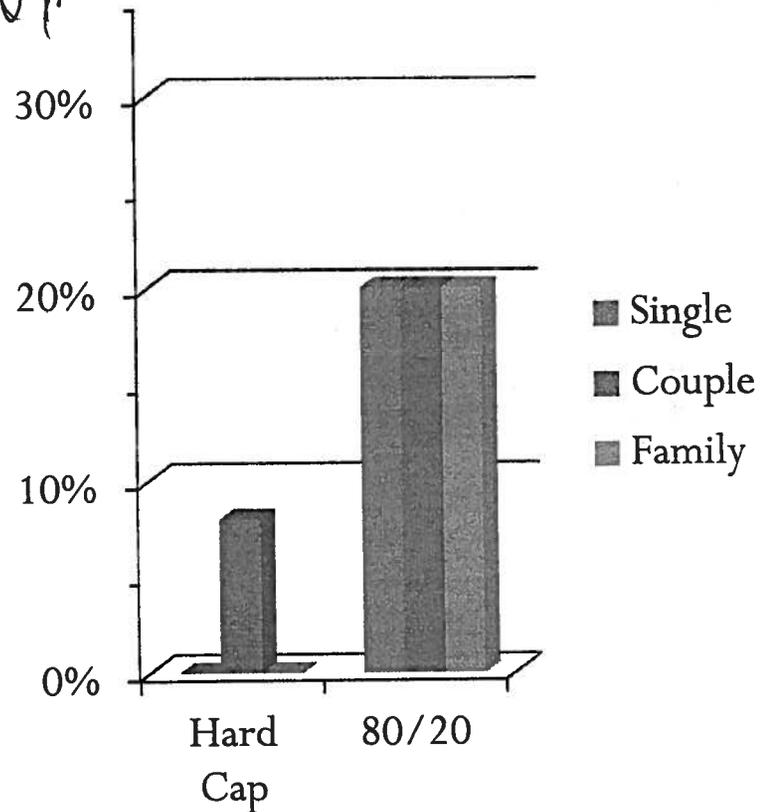


Government Plan Comparison

	Single	Couple	Family
	\$5,311	\$11,978	\$14,912
	x80%	x80%	x80%
Employer share 80%	\$4,249	\$9,582	\$11,930
Employee share 20%	\$1,062	\$2,396	\$2,982

With Hard Cap	\$5,311 < \$5,500	\$11,978 > \$11,000	\$14,912 < \$15,000
Employer share	\$5,311	\$11,000	\$14,912
Employee share	\$0	\$978	\$0
Employer share %	100%	92%	100%
Employee share %	0%	8%	0%

80%



Middle Cities Preference

“Middle Cities supports both approaches to cost savings: Hard cap and 80/20 shared costs. Middle Cities prefers legislation that would allow school districts to choose a hard cap or 80/20, whichever works best for their school district.”

David J. Zuhlke, Ph.D.

Governmental & Legislative Liaison
Middle Cities Education Association

826 Municipal Way
Lansing, Michigan 48917

MASA Preference

“MASA supports a combined proposal

Give districts option to choose between 80/20 and hard cap plan.”

Brad Biladeau

Associate Executive Director

Michigan Association of School Administrators

Michigan Association of Intermediate School Administrators

MASB Preference

“We would prefer that either a hard cap or percentage of premium be selected by the legislature. However, if the compromise ends up being an either / or, it's imperative that this decision be included as a prohibited subject of bargaining under PERA.”

[Per telephone later stated the PERA condition could be added in different legislation]

Peter Spadafore

Assistant Director of Government Relations Michigan
Association of School Boards

ESA Preference

“ESA Legislative Group (15 ISDs, 136 Local Districts, 220,000 students) and School Equity Caucus endorse a Bicameral Legislative resolution of your efforts to contain public sector health care costs. While we support Senate Bill 007 because of it's clarity and fairness we recognize that many of our districts and associations prefer the HB 4572 hard cap approach in the House Bill. We are favorable to this approach.”

Don Olendorf, Legislative Liaison
ESA Legislative Group

SB7 or HB 4572?

- Both bills offer savings to school districts
- Both bills have exceptions to the savings
- Both bills have support, and many districts have strong preferences for one side or the other
- A choice seems to be acceptable to all parties