

March 2011

AFSCME Local 3336

<http://www.afscme3336.org>

MONTHLY NEWSLETTER



<u>Next Members Meeting</u>	<u>In this Issue</u>
<p>Main Agenda: Bargaining Update and Notice of Next Survey</p> <p>Date: March 24, 2011</p> <p>Time: Noon to 1 PM</p> <p>Place: HQ, EQC-A</p> <p>Call In Number: 1-800-610-4500; Participant Access Code: 214451</p>	<ul style="list-style-type: none"><li data-bbox="857 569 1409 632">✚ AFSCME State Central Table – The State Proposal<li data-bbox="857 646 1409 709">✚ AFSCME State Central Table – The Union’s Proposal<li data-bbox="857 724 1409 787">✚ AFSCME State Central Table Bargaining Meetings Summary<li data-bbox="857 802 1409 865">✚ PEBB Update - Changes Coming April 1, 2011

IMPORTANT NOTICE

AFSCME Local 3336 Union New Website

If you have not, please “sign-up” to DEQ’s new website @ <http://www.afscme3336.org/>. You will be able to get timely updates on both Central and Local Table Bargaining.

AFSCME STATE CENTRAL TABLE BARGAINING - THE STATE PROPOSAL!

IMPORTANT REMINDER: *The final contract will not include everything from the state's proposal, nor will it include everything from the union's proposal.*

NOTE: The union now has the state proposal and has submitted its initial proposal, which was based on the Oregon AFSCME Council 75 survey of its members statewide. We want to know what should be the union’s response to the State proposal. Please go to DEQ’s new website to keep informed; meeting summaries and proposals are posted.

The AFSCME State Central Table Bargaining began February 10, and has met twice; the next meeting is March 29.

The following information outlines the initial proposals from the State and the Union. Please remember that bargaining is kind of like buying a car – one side starts high and the other starts low – both hoping to meet somewhere in the middle.

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STATE INITIAL PROPOSAL	
SALARY OR BENEFIT	PERCENT REDUCTION
No Step Increases for the 2011-13 Biennium.	4.5 %
<p>Health Insurance.</p> <p>Effective July 1, 2011, the employer will provide an insurance contribution equivalent to the contribution for the 2010 insurance coverage. Employees will be required to pay the difference between the insurance premium and the Employer's contribution.</p> <p>Part-Time Employees Health Insurance Subsidy will not continue past June 30, 2011. Contributions Frozen at the Current Level.</p> <p>Health insurance rates are expected to increase substantially over the next two years.</p>	<p><i>Percentage unknown at this point (at least 1.7%)</i></p>
<p>3 Percent Salary Reduction For All Employees. This will be accomplished in one of four ways: seven (7) scheduled unpaid furlough days per year; seven (7) unpaid holidays per year; seven (7) unpaid scheduled vacation days per year; or a straight 3 percent reduction in salary.</p>	3 %
<p>Termination of the State-Paid 6 Percent "PERS Pickup" as of July 1, 2011. After that date, employees would be responsible for paying their 6 percent employee contribution to PERS</p>	6 %
STATE PROPOSED PERCENT REDUCTION IN SALARY AND BENEFITS	15.2+ %

The State did indicate that its proposal included giving State workers an opportunity to get back a total of 6% in compensation. The State provided the union with a "menu" as to how much a variety of items would cost, essentially leaving the door open for the union to pick-and-choose items up to that total of 6 percent:

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STATE LIST OF COMPENSATION COSTS	
SALARY OR BENEFIT	PERCENT INCREASE
The PERS employer rate for 2011-13	<i>4 percent</i>
Maintaining 2010 scheduled steps – even though this was bargained for 2 contracts ago, the State did not include this in the budget!	<i>1.5 percent</i>
Maintain 2011 insurance contribution	<i>1.6 percent</i>
Increase insurance contributions (assumed @ 9 percent per year)	<i>1.6 percent</i>
2011-13 step increases	<i>1.4 percent</i>
Seven (7) furlough days per year	<i>2 percent</i>
Continue employee 6 percent pickup past July 1, 2011	<i>4 percent</i>
A 1 percent COLA in each of the contract's two years	<i>1.2 percent</i>
A 2 percent COLA in each of the contract's two years	<i>2.4 percent</i>

The following table gives an “**estimate**” of the net result of the state’s bargaining proposal with a 15.2+ percent compensation reduction and the 6 percent compensation increase. The “**estimated**” net percent total proposed employee salary and benefit reduction is at least 9.2 percent:

STATE PROPOSED PERCENT REDUCTION IN COMPENSATION (wages and benefits)	15.2+ PERCENT
STATE PROPOSED 6 PERCENT INCREASE IN COMPENSATION (wages and benefits)	MINUS 6 PERCENT
NET STATE PROPOSED TOTAL COMPENSATION REDUCTION	9.2 PERCENT

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AFSCME STATE CENTRAL TABLE BARGAINING - THE UNION PROPOSAL!

The AFSCME Central Table team countered with the following more detailed proposal:

- ✚ **Cost-of-living wage increases equal to the Consumer Price Index (CPI) plus 2 percent in each of the two years of the agreement;**
- ✚ **Salary steps back on schedule;**
- ✚ **Continue fully paid health insurance for employees and part-time employees as per current language.**
In addition, the union presented a proposal to pay the first three months of coverage for an employee that is laid off, and the outline of a plan to pay insurance premiums for senior employees that retire early as an incentive to retire;
- ✚ **6 percent PERS pickup remains the same;**
- ✚ **Cover the first three days of a worker's compensation on-the-job injury through administrative leave rather than employee sick leave or vacation;**
- ✚ **Increase vacation leave and overall accrual;**
- ✚ **Changes to FMLA/OFLA language;**
- ✚ **Add the day after Thanksgiving as a paid holiday;**
- ✚ **Increase bereavement leave from 24 to 40 hours and add aunt, uncle, niece and nephew to the definition of immediate family;**
- ✚ **"Red circle" (freeze) the salary for any employee that is bumped or otherwise demoted to a lower-paying job rather than dropping the employee's salary.**

AFSCME STATE CENTRAL TABLE BARGAINING MEETINGS SUMMARY

The **February 10, 2011 and March 3, 2011 Central Table Bargaining Meeting summaries** are available at DEQ's new website @ <http://www.afscme3336.org/>. You will be able to get timely updates on both Central and Local Table Bargaining.

Bargaining Meetings – you can, and should attend!

The Central Table (monetary issues) bargaining meetings are scheduled as follows:

- March 29 (9:00-5:00 pm) Salem-AFSCME Office
- April 26 (9:00-5:00 pm) Salem-AFSCME Office
- May 12 (9:00-5:00 pm) Salem-AFSCME Office
- May 20 (9:00-5:00 pm) Salem-AFSCME Office

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The Local Table (non-monetary issues/issues that pertain to DEQ only) bargaining meetings are scheduled as follows:

- April 7 (10:00-4:00 pm) Salem-AFSCME Office
- April 25 (10:00-5:00 pm) DEQ-HQ
- May 6 (10:00-5:00 pm) Salem-AFSCME Office
- May 12 (10:00-5:00 pm) DEQ-HQ
- May 25 (10:00-5:00 pm) Portland-AFSCME Office

PEBB UPDATE - CHANGES COMING APRIL 1, 2011

Changes are coming April 1 to your PEBB insurance plans, specifically, PEBB Statewide, Providence Choice, and ODS plans. PEBB's consultants and staff have informed the board that our PEBB costs for plan year 2011 will be **1.7 percent above the 10 percent negotiated contribution cap**. This cost increase is the result of extending coverage to employee dependents through the age of 26 and because of additional family members at the employee/children and family tiers. This is almost \$12 million. Please go to PEBB's website for more information:

http://www.oregon.gov/DAS/PEBB/news/QAPlanDesignChanges20110401.shtml#Board_Decisions_on_Midyear_Plan_Changes_in_2011.

PEBB PLAN DESIGN CHANGES EFFECTIVE APRIL 1, 2011	
Change	Savings
\$100 Emergency Room Co-Pay	\$1.8 million
Discontinue Rural Subsidy*	\$1 million
Bariatric Surgery Co-Pay	\$200,000
Additional Cost Tier of \$500 for Value-Based, Preference-Sensitive Services (Including outpatient upper endoscopy, spine surgery for pain, knee replacement, hip replacement, arthroscopies, shoulder surgery for osteoarthritis)	\$4.3 million
Limit Alternative Care Visits to 60	\$450,000
Reduce Crown Benefit to 50 percent	\$1.3 million
TOTAL SAVINGS	\$9.05 million

* The original purpose of the rural subsidy was to protect our members in rural counties where there were insufficient in-network physicians. PEBB did not want members to be forced to pay out-of-network rates simply because there were inadequate numbers of physicians. Currently there are adequate in-network physicians to meet the needs of our members throughout Oregon, including networks in Idaho and Washington. The \$1 million savings will not be coming out of our members' pockets, but rather from the physicians in those areas who are currently being paid more than physicians are in the rest of the State performing the same medical care.