

Thank you!

They're Talking to Us

We Rejected their “final” proposal

- Switch to “administrator” health plan
- Higher deductibles \$250/\$500
- \$15 office visit co-pay
- \$15 Urgent Care co-pay
- \$10/\$25/\$40 Drug Card
- Higher out-of-pocket \$500/\$1,000 or \$750/\$1500
- And even MORE co-pays

It's All About the Cell Increase and Where the Money Comes From

Cell Increases

Step	Year	Cell increase
BA-4	07/08	\$662
BA-4	08/09	\$1245
MA-10	07/08	\$911
MA-10	08/09	\$1715
Schedule Max	07/08	\$1228
Schedule Max	08/09	\$2312

Looks Ok until....

- Increased out-of-pocket insurance costs
- Adding a step to the schedule

This 1.85% cell increase is contingent on health plan design changes & Again, employee, pay yourself.

10% Premium Contribution
5% if you participate in the wellness program

Employee Contribution 2008/09

- 10% = \$2,043 for family plan
- 5% = \$1,021 for family plan
- 2% = \$409 for family plan

As insurance costs continue to rise, so would the employee contribution!

10% Family Premium Contribution

- MA Step 10
- \$1,715 Cell Increase
- -\$1,634 Premium Contribution
- -\$ 500 Deductible
- -\$ 120 Office Co-pay
- -\$ 672 2 Level III Drugs/month
- **-\$1,211 Net wage increase**

5% Premium Contribution

- MA Step 10
- \$1,715 Cell Increase
- -\$ 817 Premium Contribution
- -\$ 500 Deductible
- -\$ 120 Office Co-pay
- -\$ 672 2 Level III Drugs/month
- **-\$ 394 Net wage increase**

10% Premium Contribution
5% if you participate in the wellness program

Employee Contribution 2008/09

- 10% = \$847 single
- 5% = \$424 single
- 2% = \$169 single

As insurance costs continue to rise, so would the amount of the employee contribution!

10% Single Premium Contribution

- MA Step 10
- \$1,715 Cell Increase
- -\$ 678 Premium Contribution
- -\$ 250 Deductible
- -\$ 60 Office Co-pay
- -\$ 672 2 Level III Drugs/month
- **\$ 55 Net wage increase**

5% Single Premium Contribution

- MA Step 10
- \$1,715 Cell Increase
- -\$ 339 Premium Contribution
- -\$ 250 Deductible
- -\$ 60 Office Co-pay
- -\$ 672 2 Level III Drugs/month
- **\$ 394 Net wage increase**

Out of One Pocket....

- Cost shifting
- Employee Pay thy self
- Actually added another step

...into the other

Crummy Retirement Proposal

- Reduce the number of slots from 25 to 20 every two years.
- Gut it completely for all new hires:
 - Increase retirement age to 57
 - ½ amount of employee's last year of employment for health care costs.
 - That's it!

Nitty-Gritty Time

Back at the Table...

- Salary Schedule Structure – We need to blow it up!
- Health Insurance
- Retirement

We need to prioritize issues; we recognize there are other important issues to negotiate; however, we may have to pursue those in a different forum.

Qualified Economic Offer

- QEO—Part of Wis. Stat. 111.70
- An employer offers at least a 3.8% total package and maintains the previous level of fringe benefits.
- Prevents the Association from arbitrating over the contract.
- Once deadlock is determined and the QEO is deemed to be valid, the employer may implement the QEO.

How Does It Work

- The QEO requires that all fringe benefits must be maintained and paid at the same level as in the previous contract. (Ex. Insurance, schedule structure)
- If there is money remaining after maintaining fringe benefits, it goes toward paying step increases.
- If there is money left over after step increases, the cells of the schedule are adjusted upward.

- It is possible that employees would not received a full step increase and it is possible that the schedule would actually be less than a prior year. It is almost completely dependent on insurance and WRS increases.

What would the QEO look like?

	06-07	07-08	08-09
BA Base	\$31,720	\$32,130	\$32,239
Increase		\$ 410	\$ 109
MA+30	\$66,217	\$67,072	\$67,300
Max			
Increase		\$ 855	\$ 228

WEB SITE ADDRESS

- WWW.WEAC.ORG/WSC

It's Working!

Keep it up!