

BACKGROUND:

This Side Letter arises out of a formal request to bargain as a Union Coalition over healthcare by AFSCME Local 512, AFSCME Local 2700, Contra Costa Public Defenders Association, Deputy District Attorneys Association, IFPTE Local 21, Physicians & Dentists Organization of Contra Costa, Public Employees Union Local 1, SEIU Local 1021, and Western Council of Engineers. The County agreed to discuss the issue in the context of a possible contract extension. Like the Coalition, the County wanted to explore options that would meet the needs of our employees and provide financial stability for the County. The Union Healthcare Coalition included nine unions/associations (AFSCME Local 512, AFSCME Local 2700, Contra Costa Public Defenders Association, Deputy District Attorneys Association, IFPTE Local 21, Physicians & Dentists Organization of Contra Costa, Public Employees Union Local 1, SEIU Local 1021, and Western Council of Engineers). Six of these organizations had current contracts, which were set to expire on June 30, 2019 (AFSCME Local 512, AFSCME Local 2700, IFPTE Local 21, Public Employees Union Local 1, SEIU Local 1021, and Western Council of Engineers), and three had open contracts (Contra Costa Public Defenders Association, Deputy District Attorneys Association, and Physicians & Dentists Organization of Contra Costa).

After efficacious bargaining, the County and Union Healthcare Coalition reached a Tentative Agreement on healthcare for employees on November 13 (although bargaining as a Coalition over healthcare, those organizations with open contracts continue to negotiate over other terms and conditions of employment).

The six unions with current contracts immediately began the process of conducting ratification votes. The attached Side Letters are effective following ratification by the individual unions and approval of the Board of Supervisors. Note that this action impacts six unions but there are eight side letters recommended for Board approval because Local One and Local 1021 have separate MOUs for their supervisor and rank and file units. In summary, the County and the unions agreed to modify three sections and add one section to each MOU. All other terms and conditions of the MOUs between the County and unions (July 1, 2016 – June 30, 2019) remain unchanged.

1. Duration of Agreement

- The term of the agreements was extended through June 30, 2022.

2. General Wages

- Effective July 1, 2019, the base rate of pay for classifications represented by the Unions will be increased by four percent (4%),
- Effective July 1, 2020, the base rate of pay for classifications represented by the Union will be increased by three percent (3%).
- Effective July 1, 2021, the base rate of pay for classifications represented by the Union will be increased by three percent (3%).

3. Health, Life, & Dental Care

- The County will adjust its monthly premium subsidies to cover at least the increases for the 2019 plan year.

- Beginning January 1, 2020, the County will provide a premium subsidy of up to 75% of the second lowest priced non-deductible HMO plan (currently Kaiser A) for Employee and Employee +1, and 76.5% for Employee +2 or more.
 - Beginning January 1, 2021, the County will provide a premium subsidy of up to 78.5% of the second lowest priced non-deductible HMO plan for all tiers.
 - Beginning January 1, 2020, the County will provide a premium subsidy of up to 80% of the second lowest priced non-deductible HMO plan for all tiers.
 - Annual contributions into an HSA for active employees who are enrolled in an eligible High Deductible Health Plan and who have an HSA.
 - Expanded purview of the Joint Labor/Management Benefits Committee.
4. Non-Healthcare/Non-General Wage Re-opener
- During the months of August through October, 2020, the individual unions may request to reopen their MOU for the limited purpose of negotiating over a specific and finite list of non-healthcare/non-general wage/non-lump sum issues identified by the union and agreed upon by the County. The total cost to the County to address the issues that the union requests to negotiate about during the re-opener will be limited to the union's share of \$2 million that will be allocated among the nine unions of the 2018 Healthcare Coalition. The \$2 million will be divided on a per capita basis of total union-represented employees per union as of October 1, 2018. The \$2 million will have a start date no earlier than January 1, 2021.

Permanent full-time and permanent part-time employees represented by Unions, who have finalized an agreement for new medical plan rates for 2019, will be offered a Special Open Enrollment period from December 4 – 6, 2018.
