

# CBG - NCCC

## TENTATIVE AGREEMENT

October 2017

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- The CBG Negotiating Committee<sup>1</sup> has reached a Tentative Agreement (“TA”) that has been circulated to the General Chairpersons for their review. This presentation provides a distillation of the key improvements and changes of the Agreement.
- The TA is a culmination of almost 2½ years of negotiating over 22 sessions, including numerous mediation sessions.
- The result is a favorable Agreement that provides:
  - (1) 13.1% raise compounded over the life of the Agreement;
  - (2) back pay;
  - (3) no structural change to healthcare while including several improvements, and
  - (4) no work rule changes!



<sup>1</sup> The Group, along with SMART-TD, included ATDA, BLET, BRS, IBB, NNCFO.

# WAGES

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# GENERAL WAGE INCREASES:

No lump Sums, All GWI with full retroactive pay

- 3% received January 1, 2015
- 2% effective July 1, 2016
- 2% effective July 1, 2017
- 2½% effective July 1, 2018
- 3% effective July 1, 2019

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13.1% compounded over the life of the contract

# RETROACTIVE:

- 2% for July 1, 2016 to June 30, 2017.
- 4% for July 1, 2017 to December 31, 2017.
- \$100,000 annual earnings would produce approximately \$4,000 in retroactive pay.
- Provides immediate pay increase of 4%, with an additional 2½% six months later on July 1, 2018 and 3% additional on July 1, 2019.
- Overall, a 9.84% compounded increase over 18 months.



# HEALTH & WELFARE

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# What Has Changed and What Has Not

There were no structural changes to the Plan despite the carriers' insistence and hard bargaining on that topic

- The monthly contribution that everyone pays is frozen until it is renegotiated.
- There are several improvements that will provide more access to better care.
- There will be some increase in cost for deductibles, copays, co-insurance, and out-of-pocket expenses depending on usage. Light users will experience a minimal increase, while heavy users will still be protected by the caps on maximum out-of-pocket expenses.
- Mental Health/Substance Abuse services will be integrated into medical benefits eliminating separate deductible and out-of-pocket maximums.
- There are no changes to existing coverages and no unusual disruption to current networks. You can stay with your current healthcare providers.





# MONTHLY CONTRIBUTION:

# NO INCREASE!

The monthly contribution of \$228.89 that everyone pays remains frozen for the life of the Agreement.





# PLAN IMPROVEMENTS:

- **Telemedicine** – doctors available 24/7 with a Copay of \$10.00.
- **Centers of Excellence** – provides for specialized care at recognized facilities with a travel benefit and 100% coverage.
- **Expert Second Opinion** – at no cost to the employee.
- **Member Advocacy and Vital Decisions Counseling**
- **Vision Benefits:**
  - changed to reduce wait for eye exams from 12 months to once per calendar year,
  - for frames and lenses from 24 months to 2 calendar years.
- **Flexible Spending Accounts:**
  - Extends the grace period to use FSA money from January 31 to March 15.
  - Starting in 2019, maximum contribution is raised to \$3,000 and increased up to \$500 annually each year thereafter.
  - Eliminates minimum craft participation requirement.



# PLAN CHANGES:

The cost of healthcare has risen nearly 20% in the last seven years. Hospital services costs have increased 32.5%, health insurance 27.8% and prescription drugs 24%. Accordingly, the status quo was not a realistic goal. However, the negotiated changes keep co-payment increases to a minimum, and the out-of-pocket maximums provide protection to individuals who may have a significant health issue.

## Medical Copayment Changes

<u>Medical Copayments</u>	<u>Current</u>	<u>2018</u>	<u>2019</u>
Convenient Care Clinic	\$10	\$10	\$10
Primary Care Physician	\$20	\$25	\$25
Specialist	\$35	\$40	\$40
Urgent Care Center	\$20	\$25	\$25
Emergency Room (not admitted)	\$75	\$100	\$100

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## PRESCRIPTION COPAYMENT CHANGES

<u>Prescription Copayments</u>	<u>Current</u>	<u>2018</u>	<u>2019</u>
Retail Generic	\$5	\$10	\$10
Retail Brand Formulary	\$25	\$30	\$30
Retail Brand Non-Formulary	\$45	\$60	\$60
Mail Order Generic	\$5	\$10	\$10
Mail Order Brand Formulary	\$50	\$60	\$60
Mail Order Brand Non-Formulary	\$90	\$120	\$120

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**NOTE:** Up to 21-day fill at retail and up to 90-day fill by mail remains unchanged.

# DEDUCTIBLE AND OUT-OF-POCKET CHANGES

## MMCP- In-Network

<b>Annual Employee Expenditure</b>	<b>Current</b>	<b>2018</b>	<b>2019</b>
Deductible (ind./fam.)	\$200/\$400	\$325/\$650	\$350/\$700
Coinsurance	5%	10%	10%
Out-of-pocket (ind./fam.)	\$1,000/\$2,000	\$1,800/\$3,600	\$2,000/\$4,000

## MMCP- Out-of-Network

<b>Annual Employee Expenditure</b>	<b>Current</b>	<b>2018</b>	<b>2019</b>
Deductible (ind./fam.)	\$300/\$900	\$650/\$1300	\$700/\$1,400
Coinsurance	25%	30%	30%
Out-of-pocket (ind./fam.)	\$2,000/\$4,000	\$3,600/\$7,200	\$4,000/\$8,000

## CHCB Coverage

<b>Annual Employee Expenditure</b>	<b>Current</b>	<b>2018</b>	<b>2019</b>
Deductible (ind./fam.)	\$200/\$400	\$325/\$650	\$350/\$700
Coinsurance	15%	20%	20%
Out-of-pocket (ind./fam.)	\$2,000/\$4,000	\$2,800/\$5,600	\$3,000/\$6,000



# WORK RULES

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# The Carriers Had Insisted On:

- The right to impose automated job selection and placement;
- the right to impose self-supporting pools, eliminating guaranteed extra boards;
- the right to impose regulation of pools based on starts rather than miles;
- the right to broaden current “Enhanced Customer Service” rules, and
- the right to eliminate all distinctions between road service and yard service.

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# WORK RULE CHANGES IN TENTATIVE AGREEMENT

# NONE!

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# What else is not in the proposal:

- No Affordable Care Act Excise Tax (Cadillac Tax) reopener.
  - No forced on-property negotiations of any issue.

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