

**Summary of Wage and Fringe Benefit Modifications  
in the  
2007-2009 and 2010-2011 Agreements  
between  
Local 510, IAMAW  
and  
The City of Milwaukee**

**2007-2009**

1. Duration, Article 1: Three Years, January 1, 2007, through December 31, 2009.
2. Base Salary, Article 10:
  - (a) PP1, 2007 – 2.0% increase  
PP1, 2008 – 1.0% increase, PP14, 2008 – 1.0% increase  
PP1, 2009 – 1.0% increase, PP14, 2009 – 1.0% increase
3. Health Insurance, Article 15: See attached Health Insurance Proposal.
  - Effective date of HMO EE Premium share will be October 1, 2009.
  - Effective date of HMO Co-pays will be March, 2010.
4. Pension Benefits, Article 13: Maintain benefit and lift sunset on credit for military service. Delete old implementation language and add the following:

*Creditable service for active military service, as provided in 36-04-2-c, shall be extended to employees represented by the Union who participate in the combined fund and who retire on a service retirement on and after January 1, 2007.*
5. The City shall withdraw the letter of June 3, 2009, in relation to ceasing the practice of pay step advancement during the period between expiration of the labor contract and the execution of the successor contract.
6. The Union agrees to withdraw any current 2009 grievances regarding the July 2, 2009 and/or September 8, 2009 furlough days without precedent or prejudice, and the Union agrees it will not file a prohibited practice complaint or any other legal action regarding the 2009 furlough days.
7. Maintain status quo on all other issues with the exception of language and date updates and deletion of obsolete language as necessary.

## **CITY OF MILWAUKEE HEALTH INSURANCE PROPOSAL**

Limited Benefit employees: The City's contribution for a limited benefit employee whose normal hours of work average 20 hours per week on a year-round basis shall not exceed 50% of the maximum City contribution for a full-time employee.

### **PROPOSED CHANGES TO THE BASIC PLAN**

- Effective the First Full Month Following Implementation of the Health Risk Assessment, but not sooner than January 1, 2009:
  - Implement a \$20 per month increase in the Employee Monthly Health Insurance Premium Share (EMHIPS) for each adult (maximum of 2 excluding dependent children) covered by the plan who chooses to not fully participate (written, blood draw, weight, blood pressure, etc.) in and complete an annual health risk assessment.
  - Increase the EMHIPS to \$85 single/\$170 family.
  - For employees in the single plan and for employees and their spouse (if applicable) in the family plan who fully participate in and complete an annual health risk assessment and who do not smoke (as determined by the annual health risk assessment), the EMHIPS shall be reduced to \$75 single/\$150 family.

## **PROPOSED CHANGES TO THE HEALTH MAINTENANCE ORGANIZATION PLANS**

***Plan Design Changes – The proposed changes will be effective the first full month following execution (March, 2010) unless otherwise noted.***

- **Office Visit Co-Payment (OVCP):** Implement a \$10 OVCP for all office or urgent care visits due to illness or injury.
- **Office Visit Co-Payment (OVCP) Waived for Preventive:** The OVCP is waived for preventative exams, tests and other age-appropriate procedures as established by the AMA for screening (example: Colonoscopy after age 50, mammography 1 baseline between ages 35 and 40, one each year thereafter), pre-natal, and baby wellness.
- **Office Visit Co-Payment (OVCP) Waived for Disease Management:** The OVCP is waived for on-going disease management office visits. The plan shall determine which diseases are covered and the number of office visits required per year. Currently only disease management visits related to diabetes are included.
- **Emergency Room Co-Payment (ERCP):** Implement a \$50 ERCP. The ERCP will be waived if the insured is admitted directly to the hospital from the emergency room (NOTE: All emergency rooms are covered).
- **Drug Card:** Implement a 3-tier drug card as follows:
  - Tier 1 co-payment equal to \$5 (generic/tier 1 drugs are determined by the plan)
  - Tier 2 co-payment equal to \$17 (on-formulary/tier 2 drugs are determined by the plan)
  - Tier 3 co-payment equal to \$25 (off-formulary/tier 3 drugs are determined by the plan)
  - Legend drugs (legend drugs are determined by the plan) are provided at the generic drug co-payment amount, which is \$5
  - Provide a 3-month or 90-day mail order supply for a 2-month or 60-day co-payment amount.
- Effective upon execution of the Agreement, eliminate the requirement that the City utilize an HMO. The City may replace the HMO's and implement an Exclusive Provider Organization (EPO) which utilizes a Southeastern Wisconsin network. The EPO would include in-network benefits only. There would be no coverage if the employee goes out-of-network.

### ***Employee Monthly Health Insurance Premium Share (EMHIPS)***

- Effective 10/1/09: Implement a \$20 single/\$40 family EMHIPS for the low cost HMO or EPO.
- Effective the First Full Month Following Implementation of the Health Risk Assessment but not sooner than December 1, 2009:
  - Implement a \$20 per month increase in the EMHIPS for each adult (maximum of 2 excluding dependent children) covered by the plan who chooses to not fully

participate (written, blood draw, weight, blood pressure, etc.) in and complete an annual health risk assessment.

- Increase the EMHIPS to \$30 single/\$60 family.
- For employees in the single plan and for employees and their spouse (if applicable) in the family plan who fully participate in and complete an annual health risk assessment and who do not smoke (as determined by the annual health risk assessment), the EMHIPS shall remain at or be reduced to \$20 single/\$40 family.

## **Wellness and Prevention**

A Wellness and Prevention Program shall be implemented to promote the wellness and prevention of disease and illness of City employees, retirees, and their family members. The program may contain some or all of the following components: annual health risk assessment, benefit communications, medical self-care, nurse line, consumer health education, injury prevention, advanced directives, preventive medical benefits, targeted at-risk intervention, high-risk intervention, disease management, condition management, wellness incentives, and other components agreed upon by the City and the Unions.

The City shall retain a consultant to assist in developing a plan for a comprehensive, wellness and prevention program for the City and to assist in making program adjustments.

A Wellness and Prevention Committee shall be established to assist the consultant in the design of the Wellness and Prevention Program and to provide oversight of the program. The Wellness and Prevention Committee shall be comprised of nine union members appointed by the unions and three management representatives appointed by the Mayor.

The Wellness and Prevention Committee shall be composed of nine representatives as follows: two representatives from the Milwaukee Police Association, one from the Milwaukee Professional Firefighters Association, two from District Council 48, one from SEIU, one from TEAM, one from SEIU Staff Nurses Council and one jointly representing Milwaukee Building and Construction Trades Council/IBEW Lo494 DPW Electrical Group.

The City has also agreed to allow other union presidents and union staff representatives or business agents to attend and participate in all Committee meetings, but only the nine members of the Committee will be allowed to officially make decisions and/or vote if necessary.

Decisions shall be made by consensus among committee members present. Consensus shall be reached when ten committee members agree. No decisions shall be made by the committee that requires employees to pay additional out-of-pocket costs unless it is ratified individually by every City bargaining unit. However, the committee may decide to provide additional lump sum compensation to employees, reduce an out-of-pocket or monthly expense, or provide some other type of benefit without ratification by the bargaining units. No decision made by the Committee or lack of decision made by the Committee shall be subject to any aspect of the various grievance procedures, complaint procedures, court action, or any other type of dispute resolution mechanism.

The City shall develop an RFP and solicit bids from third party vendors qualified to implement the City wellness and prevention program. Upon conclusion of the bidding process, the City shall meet with the unions to review the results of the RFP. The Committee shall decide on the vendors giving due consideration to all City polices associated with the selection procedures. The City shall not spend more than two million dollars, including the cost of conducting the HRA, on the Wellness and Prevention Program.

All parties involved with the HRA shall abide by all laws governing the release of employee records.

## **2010-2011**

1. Article 1, Duration: Two Years, January 1, 2010 through December 31, 2011.
2. Article 10, Base Salary:
  - During the term of the Agreement, the biweekly base salary paid to employees shall be those rates that became effective Pay Period 14, 2009.
  - Effective Pay Period 1, 2010 through Pay Period 26, 2011 there shall be no pay step advancement. This provision shall expire at the end of 12/31/2011.
  - Within sixty days of execution of the Agreement, all employees shall be on direct deposit of paychecks.
3. Article 13, Pension Benefits. Delete old implementation language and add the following:
  - Employees who retire from active service during calendar year 2010 or 2011 on a normal service retirement or early retirement under 36-05-6-c (i.e. immediate actuarially reduced allowance) shall receive a 2% pension escalator effective with the installment next following the first anniversary of their retirement. This provision shall expire at the end of 12/31/2011.
  - Employees who retire from active service during calendar year 2010 only on a normal service retirement or from active service on an early retirement under 36-05-6-c (i.e. immediate actuarially reduced allowance) shall be eligible for a bonus year. At such employee's discretion, the bonus year may be added either to the employee's age for purposes of retirement eligibility, or to creditable service. The bonus year may be divided into one-month increments and used for a combination of additions to age and creditable service, not to exceed a total of twelve months. All or part of the bonus year cannot be applied to earn more than 35 years of creditable service or to exceed the 70% of final average salary limitation. Employees must give notice by August 31, 2010, of their intent to retire in order to be eligible for the bonus year. This provision shall expire at the end of 12/31/2010.
  - Employees hired on or after the execution date of the Agreement shall contribute no more than 5.5% of their earnable compensation.

4. Article 15, Health Insurance:

- Employees who retire from active service on a normal service retirement and elect to use the bonus year to meet the minimum age or years of service requirements for retiree health insurance shall be entitled to the benefits under Article 15.2.e or f and costs under Article 15.3.c. of the City proposal.
- This provision shall expire at the end of Pay Period 26, 2010.

5. Furloughs:

- There shall be no more than four furlough days during calendar year 2010 and no more than four furlough days during calendar year 2011.
- The policies as set forth in the Department of Employee Relations Mandatory Furlough and Administrative Guidelines policy dated June 19, 2009 regarding benefits during furlough days shall apply in calendar years 2010 and 2011.
- The agreement on furloughs shall not be used by either party in future grievances, prohibited practice complaints or other legal actions.
- This provision shall expire at the end of Pay Period 26, 2011.

6. Layoffs:

- There shall be no layoffs of IAMAW-represented employees from January 1, 2010 through Pay Period 26, 2010 with the exception of seasonal layoffs and loss of grant funding.
- This provision shall expire at the end of Pay Period 26, 2010.

7. Article 7, Grievance and Arbitration Procedure

For grievances filed on or after the execution date of the 2007-2009 and 2010-2011 Agreements, matters appealable to the Fire and Police Commission (FPC) may at the Union's option, either be appealed to the FPC or submitted to the grievance procedure including arbitration. If a matter is appealed to the FPC it may not be submitted to the grievance procedure or to grievance arbitration. If the matter is submitted to the grievance procedure and including arbitration, the matter may not be appealed to the FPC.

8. Article 27, Special Assignment Pay

Effective the first full pay period following execution of the 2007-2009 and 2010-2011 Agreements, incorporate the following provisions:

The Fire Equipment Welder shall be eligible to underfill the position of Fire Equipment Repairs Supervisor.

The Fire Mechanic Helper shall be eligible to underfill the position of Fire Stores Clerk (or equivalent position when reclassification of the Fire Stores Clerk position becomes effective).

Compensation for underfilling assignments of one hour or more shall be paid on a hourly basis to the nearest one-tenth of an hour. There shall be no compensation at all for an underfilling assignment lasting less than one hour.

9. Article 26, Safety Shoes

Effective for calendar year 2010, eligible employees may apply the purchase of up to two pairs of safety shoes per calendar year towards the allowance, provided that the shoes are purchased at the same time.

10. Article 24, Tuition Reimbursement

Effective for calendar year 2010 benefits, the maximum amount of tuition reimbursement shall be increased to \$950.

11. Side letter.

Effective upon execution of the Agreement, the Fire Chief at his discretion may grant an employee's request for compensatory time off in lieu of cash for authorized overtime assignments provided the employee's accumulated compensatory time off balance is less than forty hours. It is understood that the Fire Chief retains the right to determine whether compensation for any authorized overtime assignments shall be in cash or compensatory time off.

12. Add or update language and dates and delete obsolete language as necessary in all articles.