

**Tentative Agreement Summary** for contract 2009-2011, June 8, 2009

On Monday, June 8, 2009 at 6:00 p.m., our Union and the University reached a tentative agreement in settlement of our negotiations for the contract year 2009-2011. This marks the first time since our initial contract negotiations that we have reached a settlement before the expiration of the contract. Our current contract ends on June 30, 2009.

A summary of the terms of settlement follows, and members will receive information with additional details as they are finalized, along with information about voting on this tentative agreement.

Please remember! Only members may vote, but you are urged to sign a membership card to join the Union and participate in this process.

- Article 19, Wages

- All Technical Bargaining Unit employees whose pay rate falls within the pay ranges for the Unit will receive a 2% general wage adjustment on July 1, 2010. This pay increase will apply to employees at the top of the range, since the ranges will all move up 2% with this increase.
- Progression steps will be temporarily suspended for the life of this contract, but the language will remain printed (as shaded paragraphs) in the contract, and will become part of the negotiations for the next contract.

- Article 20, Insurance

- There are several changes to the section entitled "Basic Coverage", but for most employees these will have a relatively minor impact. These changes will become effective 1/1/2010.
- The Union and the University agreed that there will be no changes in the percentages to employees' contributions to their Health Plans (90%/10% for the employee-only contribution; 85%/15% for family coverage)
- One of the most important pieces of information we received from the University is that in any situation in which the use of a higher-priced drug is a medical necessity, the Prior Approval process will apply.
- Specialty drug coverage (in which a drug is administered in a lab or a clinical setting, such as the infusion of a medication) will now be covered through the pharmacy plan rather than the medical plan. This is primarily an administrative change rather than a change that will affect how the actual drug is administered.
- Low-dose Lipitor, when not used for its secondary therapeutic value, will be moved to a non-formulary copay in order to encourage the use of low-dose generic equivalents.
- The pharmacy plan will provide only one brand of diabetic testing equipment and supplies at the generic copay. The University will arrange for informational presentations by the provider and manufacturer, and will make detailed information available regarding the use and capabilities of the meters and test strips. (The Prior Approval process will continue to apply to exceptions for these products as well.)

- Pharmacy copays will increase for the medications that are not listed as Generic Plus:
  - Generic Plus drugs will remain at \$8
  - Brand formulary drugs will become to \$25
  - Non-formulary drugs will become to \$50
- Emergency Room copays will become \$75, but the copay will continue to be waived if the patient is admitted to the hospital
- A new copay for MRI and CT scans will be instituted at \$25, but there will still be no copays for lab/diagnostic testing
- The office visit copay will become to \$11 for the Base Plan and Health Partners. This is still far below the standard, which runs from \$15 to \$25 per visit under other plans outside the University.
- Obsolete language regarding a one-time 2008 open-enrollment for life insurance will be deleted
- MOUs and other material appended to the contract
  - An MOU (Memorandum of Understanding) from the 2007-09 contract regarding an agreement to meet and confer on issues relating to our salary steps (compression of steps, length of pay ranges, etc.) will be modified to a letter pledging to continue working on these issues. In November, 2008, the Union and the University agreed on three recommendations for possible new models for the salary step system:
    1. The parties recommend reducing the number of steps no more than nineteen (19) steps in any classification.
    2. The restructuring/compression of steps may vary from bargaining unit to bargaining unit and will be determined through collective bargaining.
    3. These recommendations are not limited to the 2009 contract negotiations.

The letter will recognize what we have already accomplished and acknowledge that either party may wish to pursue the next logical steps in a more favorable economic climate.
  - There will be a new MOU to address issues surrounding Respectful Workplace language. Representatives from the Union and the University will meet and confer to discuss the issues and possibly arrive at some processes to address them. The speed of this negotiations process did not allow us an opportunity to fully discuss all the parties' concerns.
- "Housekeeping changes"
  - All the appropriate date changes will be made, along with continuing all the Memoranda of Understanding (MOUs) and the Fitness Incentive Letter.

The Unit 7 Technical Union Negotiations Committee unanimously recommended acceptance of this Tentative Agreement.

Denise Osterholm, Co-chair, Local 3801

Barbara Bezat, Co-chair, Local 3937

Jody Ebert, Local 3937

Krista Gallagher, Local 3937

Ken Holm, Local 3937

Greg Knoblauch, Local 3937

Ron Kubik, Local 3937

Ryan Mattke, Local 3937

Beth Wolszon, Local 3937