

General Membership Meeting March 16, 2016

The meeting of the General Membership was called to order at 4:15 p.m. in the RHS gym.

Over 500 members in attendance

1. Welcome—Mitch commented about the turnout of the members in attendance. He also commented about the success of the RHS boys' basketball team.
 2. Meeting Purpose—vote for contract will be next Tuesday from 4-6 at VoTech. Members will get a ballot, vote and leave. Reminder will be put out on Monday.
 3. **John McKiernan address—how we got to where we are today**
 - Contract expired 8/31/12
 - ULP was filed and took almost a year to resolve itself and during this time bargaining couldn't go on.
 - Had \$40 million cut from BEF by Corbett
 - Administrator changes and Solicitor Changes
 - Arbitration Win (gave step and column 12-13)—because our contract expired after we started the 12-13 school year.
 - State Budget—there was one proposed in December but it wasn't passed; still no budget as of today.
 - September 2015 demand negotiations; then an issue with Loomis and health care arose (Loomis was the administrator and broker—they cut deals with what will and won't be accepted. Loomis had to put a price on their cost of health care and district found out Loomis was over-charging the district). Trion-Marsh came in and became the broker and charges the district \$2 million
- a. Budget proposal
- 5 years proposed (People have been pressing for some time of answer and this is what we got from the district)
 - 12-13 was step and column movement
 - 13/14-14/15—freeze

- 15/16-retro from the beginning of school year
- 16/17—retro paid after the passage of the budget
- Language changes
- On-line programs accepted by the district would be at their discretion of accepting for step movement
- Credit courses—CPE classes would not be recognized
- Longevity pay—effective within 30 days of contract ratification; retro to beginning of this year.
- Pay periods—language change

b. General Leaves

- Encompass a full marking period
- Sick days can be used for family sick or member sick.
- Child-rearing leave—date of delivery and one extension; currently can take a 12 month leave; can take an additional leave only if the child has medical condition; prior to returning must give district letter from physician certificate
- Personal Days—4 personal days effective with 16-17 year; next year carry over 1
- Emergency/Compelling Day will no longer be available; if there is an emergency you can use a personal day as an emergency day, with supporting documentation after day taken.
- At-Will Days—case-by-case basis
- Death in Family—grandparents were added

c. Pay Procedure

- Direct deposit

d. Medical Insurance

- Covered

e. Working Conditions

- Bargaining unit members will be evaluated and rated in accordance with state law and regulations. All wording in black is currently in proposal.
- f. Posting Vacancies
- Vacancies through email (changes language how district posts vacancies)
- g. Personnel File
- Still have ability to look in file.
- h. Length of School Year
- 2 clerical days
 - Still 188 days
- i. Mandatory Professional Responsibilities/Duties (10 hour time)
- Changed what is now required for professional responsibilities
- j. Absence Reporting
- Employer gives cut-off time for when members can report absence.
- k. Tuition Reimbursement
- Superintendent determines which courses they deem to be eligible for tuition reimbursement.
- l. Grievance
- Procedure is shortened to expedite the process; move right from Superintendent to Arbitration
- m. Input into Annual School Calendar
- n. Preparation Time
- Payment will be made every two weeks on a minute-to-minute basis
- o. Lists sections that are deleted from contract
- p. Salary Schedule—cost projected 2.4%; retro 2.38% next year

4. Trion/Marsh Insurance Proposal Presentation (Trion Group, a Marsh & McLennan Agency, LLC Rep. Joseph Ladzenski)

- Hired by the district this year to provide benefit consulting services
- Speak about the current PPO plan and the plan under the Berks County School District Health Trust
- Side by side comparison shown on the power point---PPO (In-network); Non PPO (outside network); plan on left is current plan; plan on right is the Berks County Health Care Trust (BCP)
 - Copays for office visits are the same
 - Specialist copay is the same currently; under the plan it will increase to \$30
 - 90/10 after deductible; BCP pay nothing after deductible
 - ER--\$40 current plan; \$100 under BCP
 - Out of pocket limit—current \$650/\$800; out of pocket maximum can be reached
 - Prescription plan—up front deductible at retail under BCP--\$100 annual deductible for retail prescriptions only
 - Co-insurance accumulate to Out of Pocket maximum. Get more for those services under the Berks County Health Plan.
- **Questions**
 - ✓ **How will the providers change if we go to Berks County Health Trust Plan?** Providers won't change; the only thing that changes is the layout of the plan
 - ✓ **Prescription co-pay—what does retail mean?** Going to pharmacy to fill a prescription. Member would pay up to \$100 first then co-pay; if mail-order then pay just co-pay.
 - ✓ **Is there any change in list of medications available to the plan?** No, they stay the same.
 - ✓ **What about medical equipment and supplies?** District pays 90/10; John will get the answer for this one.

- ✓ BCT most services are covered at 100% so out-of-pocket limit may not be reached at maximum.
- ✓ **Which pharmacy must be used?** CVS
- ✓ **BCP is what other districts are in?** From a plan standpoint looking at BCP.
- ✓ **Would it still be self-insured by RSD?** Meaning RSD is paying our insurance. If RSD doesn't follow through then our bills won't be paid.
- ✓ **Does this affect vision and dental?** No it stays the same.
- ✓ **Immunizations are covered under BCP. Does it cover breast pumps?** Don't know but will find out.
- ✓ **We still have a better coverage than what other districts have so do we still have orthodontics and eye?** Yes
- ✓ **We are going with this plan whether we like it or not?** This is part of the whole agreement is.
- ✓ We are not going to be in the Berks County Trust. What will happen is that our plan would mirror the trust.
- ✓ Prescription--\$100 annual fee—is per member.
- ✓ If purchasing a prescription through specialty pharmacy—if there are exceptions they are handled on a case by case basis. Co-pay could go from \$5 to \$70/month.
- ✓ **Currently have to prove seeing a specialist would have to with BCP?** Yes
- ✓ Medical Providers—with new plan am I paying \$1,400 for Non-PPO plan.
- ✓ **If we get certain amount of money out of checks to pay for insurance—will this stay the same?** Payroll contribution stays unchanged.
- ✓ **If we are receiving medical treatment not covered under current plan, is it possible it will be covered under new plan?** Yes it is possible.
- ✓ **Currently have managed care plan—will that be an option or have to go to PPO?** PPO.

✓

- Trust Plan Design and RSD plan design—actuarial value—RSD teachers 91.3%; BCP 86.4%. Actuarial value is broken into categories; Platinum 90% or more; Gold-80-89% (BCP plan).
- Actuarial value of 90% member pays 10%; Gold plan member pays 20% of plan.
- This plan is less costly to district.
- Administration of plan (Loomis) remains unchanged; vendors used for prescription drug remains unchanged.
- Facilities and providers stay the same
- Same customer service
- Prescription Drug Plan Options (Prescribing physician has to be involved)

*Utilization Management Programs—intention is that members are taking most cost-effective medication first that is clinically appropriate.

*Prior Authorization—must be put in place—interaction between pharmacy, doctor and member

*Step Therapy—when taking a brand level medication, are there other medications they can try before going to brand medication

*Drug Quantity Management—for abuse

*Specialty Cost Management---everyone that needs to take medication is taking one that is clinically appropriate and cost effective.

✓ **If the prior authorization was already done will this have to be done again?** No because it will just slide into it.

✓ **Can parts of this be changed or is this bundled together? Is this all or nothing?** John commented it is as presented. The answer is yes it is possible.

✓ **If you have a 90 day prescription at CVS today will this apply under the trust?** The answer is yes.

✓ CVS is the mail order drug supplier. \$35 for the mail order; preferred brand price under mail order is \$70. If

member gets prescription at store it is \$10. The annual deductible has to be paid first from the store.

- ✓ The deductible is an annual one time per member deductible.
- ✓ **Can you summarize what is in it for us and for the district? What is the benefit to the district and to us?**
The benefit is the overall savings.
- ✓ We have this health plan that is a saving to the district and we have to pay more deductibles.

5. Q & A

- Rik commented he realizes that people aren't happy with retro; first offer from district was 3 years freeze and give up things; administration offer was one-time payment of \$1,000 and freeze until the end of next year.
- In the old contract the longevity paid double for 30 years—that is still there in new contract; as far as step if you are at the top—there is no step up or down; opportunity for column movement; all you get is longevity out of this? Mitch commented that district also wanted longevity out in original proposal. People at the top get nothing but longevity.
- District keeps dictating what they want to pay because they don't think the teachers will send the kids out on the street. Mitch went in and spoke with Central Administration and let them know everyone was tired about no contract; they weren't negotiating at all but then they decided to continue negotiating.
- We are giving up 2 years of pay to get retro of one year. Our contract ends on 2017. If they know we are willing to give up extra pay for nothing, what will they do for the next contract?
- Safety—these are in school code so they were taken out of contract
- 180 school days; Act 80 days take place of the school days; can we take courses and opt out of Act 80 days. John commented that this is considered a flex in-service day and we don't have these.
- People should be known of flex days; CPI training was offered only to certain members; it wasn't offered to entire membership. This is not in the contract.
- **Child Rearing Leave—are we no longer allowed to take a 6 month leave?** Yes but it isn't guaranteed that you will return to your position. You can take up to 12 months.
- If we stay with status quo it is better for us to say no. Stay status quo until next year. Once you give something up, you never get it back.

- For someone who has their Bachelors 24 Step 9. In order to get paid for what was earned you have to wait three years to get where you belong. Members move one column per year.
- Members in middle—step 6 (9 steps from top); teachers here for 25+ years and have to pay more in health cost. To give up two years of pay is an insult; if we keep working and the district continues to give freezes, members will never reach the top.
- Once we give something or take something—for the extra hours we have to choose an evening event—this is tough for those people who live a distance away.
- For class coverages regarding Section 30's, was anything brought up for lactating mothers? The answer was no.
- Now that we have seen the board's proposal; we have to think about it if this contract proposal is voted down by membership what the next legal steps are.
 - John commented if voted down, everything is in status quo.
 - Fact-finding is an option; strike is an option
 - If there is strike, depending on when you go, dept. of Education dictates how long you can be out.
 - Then put into Non-binding arbitration
 - Where we go from here is determined by membership. Strike is determined by membership. There should be a high majority of membership with no crossing the line. John commented that some districts commented they have money but won't give it and the threat of a strike will make the district give money; RSD business manager feels we don't have money.
 - Where we stand now—budget will be cut; PSER's contribution going up; health care costs continue to rise; is the district sitting on a whole bunch of cash? No; all bargaining units are without contracts; John doesn't know what will happen.
 - **On page 6 of proposal why was lump sum taken out?** Mitch commented that the district wanted it taken out for no particular reason; payroll wanted it out and team didn't feel it would affect a majority of the people.
 - With elementary school library classes—Librarians are no longer a protected class; librarians can now be furloughed like the other bargaining members.
 - Tuition Reimbursement—will they still be acceptable for salary advancement if we pay out of pocket?
 - Language of Tuition Reimbursement—"only those classes deemed appropriate by administration"...if the schools are accredited by Dept. of

Education shouldn't that count? John commented that this is occurring county wide and not district specific. People take certain courses quickly and district may wonder why. Is there any way to clean up the language that says "they deem appropriate".

- **Been told that we can't have a contract because we have wait on the budget. Why was the proposal presented and what was is the endgame?** Mitch commented that members have been asking for a proposal for years so the "best" proposal was given. If members don't like the proposal then vote it down.
- **Was the mindset to bring it to members because the proposal was thought to be good?** John commented that he would tell Negotiation team to offer the proposal to the members so the district can't come back and say we offered you this prior and you said no. District only gave a financial proposal because they were asked to. Retro activity and step movement alone would cost the district. District keeps saying they don't have money and threaten to lay people off. At no point did the team bring members a proposal to be disrespectful. John commented that nothing was left on the table.
- To see a proposal where we get anything is a plus. Members vote what they think. Things that are positive: 4 personal days per year; death in the family; 2 hours fewer of 10 hour time. These are things that Bryan never thought would ever get approved. The fact that there is a pay raise is a plus. If the contract is voted down then pay freezes continue. Use this as a stop gap measure to look forward to.
- Members have been extraordinary patient for 4 years; to give up those steps adds to the insult to those who are at the top of the scale. Mitch commented that when the original insurance plan was proposed, the numbers were off the charts (\$1,500/\$3,000 deductible; 15% premium share--\$28,000 on average). It was managed to be at least something to look at. This was felt that this was something that was needed to see so members can see the progress made. The REA is "you"; we are presenting this to "you". Members will ultimately make the final decision of the contract. Members have 5 days between now and the 22nd to decide what they want to do.
- If the district would go to fact finding, this could potentially make it worse for us. If the fact finder comes back and it is bad, we can vote it down. If the fact finder comes back and it is good, we can approve it.
If the fact finder comes back with a negative report for members what could happen? John commented most of the districts get 20-30% of budget from the state; RSD gets 70-80% from budget. If the party votes No to fact finding then the document becomes public and the Reading Eagle can publish it. Then the side that voted no has to re-vote. We sit with an attorney and the district and discuss why we deserve what we would like. District does the same thing.
- **If this get voted to no, do we go back and re-negotiate? How do we determine what members want?** Mitch commented what

members said tonight is what will be asked for when re-negotiating (more money; steps

- **Is there a copy of the proposal we submitted to district that members can see? If we vote no, do we have a proposal ready?** We have to go with the original proposal.
- **HR department can be a challenge. Can we get an MOU for on-line classes ahead of time?** In Riks' opinion HR should be willing to give a list through email and no MOU would be necessary.
- **Is there any opportunity to increase section 30's from \$27 to \$30?** A lot of schools don't do coverages.
- Business managers are being told to go after prescription drug aspect of contracts—in Berks County the prescription premium is 11.9%, perhaps we can consider this. John commented that some prescription drugs can be purchased as generic instead of brand name because price makes a difference.
- Never give anything up—in our district built in librarian was in our contract. In other districts, there are no specialists.
- Elementary Librarians—if that language is taken away, then we are saying that the students don't need a library. Many of our students struggle to read and eliminating library will not be put back in future contracts.
- Lump sum was taken out "sneakily". Rik commented that this would only take effect for 16-17 year.
- Personal Days can now be taken in half day increments.
- Concern is p. 6; assault is characterized as "physical" assault. If this is taken out of contract, then students can say what they want.
- Dr. Mumin did a presentation and said the fund balance was increased, and he emailed the budget to members. **Why won't the district give us more money if they have a positive fund balance?** We have a \$40 million fund balance but owe \$51 million in loans. We have loans that have to be paid back by June 30th. John commented if we can show there is a steady stream with funds that is good; we want recurring funds coming in.
- **Strike Authorization Vote has never been offered why?** It is a different scenario. Mitch's concern has been if the members in attendance take a strike vote, then the other members can cross the picket line because they don't agree.
- We have been waiting because of the problems; we haven't done anything. We need to get people on our side, as they need to know we haven't had an increase in years. Discussion wasn't made about "Work to Rule". Mitch commented that people refused to cancel their after

school activities. After school activities is your choice; contract negotiations is your job. People need to work after school programs so they won't attend meeting. Mitch commented that's why we can't do a "Work to Rule" option. If reps. aren't going back and relaying information, then reps aren't doing their job.

- Giving up retroactive pay is a pay freeze; there is no state budget in place so to vote yes would be negative because we don't know when the new budget will be passed and we don't know when we would get the new salary increase and retro.
- **If we vote this down, what happens?** We start with this and try to get better. The school board will start with this and try to take things out. We are being asked to give something up and not get anything.
- **Why not be status quo until the end of 2017 and try to get something decent?** Mitch commented if we stay status quo then the longer we go, the longer the school board will try to freeze us up.
- Where we are in status quo, we are in the middle of the pack in salary; we are in top 7 with starting salary; our salaries are not that bad. 14 school districts start at \$40,000. With this contract we go up one step each year.
- "Work to Rule" really hurts the kids. We need to find a way to get the attention of the press without hurting the kids.
- **How many other districts have had pay freezes or paid back?** Schuylkill Valley is in the process of adding steps to their salary schedule. Daniel Boone staff have been demoted; sub-contracting is going on in some districts. Number one issue from original survey was to protect jobs—our numbers have been pretty steady since the furlough a few years back.
- **How does the contract affect our work conditions?** We have unsafe work conditions. In the state school code, the district must provide all of those things. We can grieve Contract, Federal Law, State Law, or District Policy. REA is limited as to what can be grieved.
- Section 30's is an issue. This is something that is being working through at SAC meetings.
- **Safety issues—how do we grieve those?** Go through Sandy Madeira. She keeps track of all health and safety issues.
- **Where is the money coming from for Lunch Bunch and ARC?** Through grants. After school programs have nothing to do with REA.
- We have been stuck for the past 4 years; this is the branch of the tree we can grab onto to "get out of the quicksand". If we don't take a look at the steps that are going on right now, then perhaps we won't get steps back in the next negotiation session. We are getting 2 steps out of the 4 so what is the ultimate end game?

- **Does Rik believe that it would be feasible or probable that the two freeze steps will be paid?** Rik commented that he doesn't believe that they will pay. Rik commented that the team asked for \$1,000 across the board for the longevity at the top and it was denied. There are 72 people at the top and they are getting nothing.
- **Even if we threaten to strike based on those two salary increases, do Mitch and Rik believe the district will have the finances or the will to give those steps back?** Rik commented he can't speak to the finances. As far as the will, there is no way that the District lawyer will agree to that. Because Harrisburg refuses to do their job, Bryan is surprised the district offered any pay increase.
- Healthcare issue—the annual deductible is \$100 per member (not per person) for prescription coverage. We still have dental and vision but perhaps it will be taken away with the next contract.
- Cadillac Tax for healthcare—whatever you have coming out of your pay now will stay the same; the Cadillac tax is based on the program; right now the district gets taxed at a very high rate because our Cadillac tax is higher than what Obama care allows.
- If we vote no, then we have to set up negotiation meetings with the board again.
- **Are we looking at cuts to jobs this year potentially?** No one is talking about that and we are \$50 million in the hole,
- **What is the potential fallout and how is the contract affected?** Bryan commented that school boards are cutting programs and language is being changed in Congress to allow furloughs based on economic issues. Rik commented the district has said they are not looking at furloughs.
- **How many teachers are losing money because they had to take their masters while frozen and will never see that money?** Under 10 years its 70% in staff.
- **Who will monitor the column and step movement?** Members themselves, as well as HR. Multiply gross pay by 27 and that is what your step is.
- **Insurance clarification—is the annual \$100 deduction per member or per person?** It will be clarified by Trion-Marsh.

Adjournment: 7:45 pm.