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Health Care Negotiations Update – April 26, 2107

A lot is being said about the current state of the AACPS sponsored health insurance plans. In an effort to understand how we have gotten to this point, we have included links to two articles/press releases that clearly state "how" we have arrived at today's situation. Please look for the highlighted and underlined sentences.

- *Hard-Charging Schuh Loves His Job Usually* (January 3, 2017)
- Board of Education Approves CareFirst HealthCare Contract (Feb. 1, 2017)

As indicated in the above articles, the Anne Arundel County politicians and the BOE Administration have put AACPS employees in an impossible position. What are we to do? Do we do nothing and risk not having claims paid? Do we do nothing and risk furloughs? Do we do nothing and risk a Reduction In Force (Lay-Off)? Do we reduce plan benefits and increase employee premium shares? No matter which one of the aforementioned you choose, if the Anne Arundel County politicians and the BOE Administration do not find common ground going into the future, the remaining could still happen. It's a question of when.

The SAAAAC Bargaining Team has been working to make modifications to the current health insurance plans that will result in the reduction of the deficit into the future while assuring that the plans are still affordable to current Unit IV employees. This is extremely important because (collectively) we are the lowest paid group of employees within AACPS. Let us be clear, we are willing to do our share but not to our determent! We are not interested in negotiating changes that result in Unit IV employees taking home LESS money.

Currently, AACPS is asking the SAAAAC Bargaining Team to agree to plan design changes (including increases in co-pays) and increases to employee premium shares each year for a three year period yet the BOE Team is only willing to negotiate salary increases one year at a time. What am I saying? The BOE Team wants us to guarantee three years of plan design changes (including increases in co-pays) that water down benefits and three years of employee contributions increases BUT will not commit to salary increases beyond this fiscal year (FY18). Why should we issue guarantees when they won't? Should we move forward on faith alone? We find the proposed increases to employee contributions a very difficult conversation. The BOE Team is proposing increases to employee contributions that would **DOUBLE** your contribution over a three year period.

Another idea that has been proposed by the BOE Team is to implement a "surcharge" (in addition to your premium contribution) against those Unit IV employees that carry a spouse (who has "access" to health care with their employer) on your plan. The BOE Team initially proposed that the "surcharge" be \$100 per month. The SAAAAC Bargaining Team does not think that such can be afforded by Unit IV employees thus we counter proposed a "surcharge" that would increase from \$10 per month to \$30 per month over a three year period. The BOE Team did not respond to our counter proposal.



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Ask yourself, how can the lowest paid group of AACPS employees afford to pay more for health insurance and receive less benefits from the health insurance plans while not being guaranteed any type of salary increases? How is it that we can be asked to provide guarantees while they don't?

The April 26 bargaining session on health care ended with SAAAAC proposing a minimum 1% COLA and one step for all eligible employees in FY19, FY20, and FY21. SAAAAC stipulated that if the minimum COLA and step are not provided then any proposed changes to the two plans, as well as increases to the employee contribution rate, shall not take place in the plan year. After we made our proposal, the BOE Team told us they would take all our proposals it into consideration and ended the discussion on healthcare.

The next negotiation session is scheduled for May 10, 2017.

Bradley Darjean
Maryland State Education Association
Secretaries & Assistants Assoc. of Anne Arundel Cty
2521 Riva Road, Suite L3
Annapolis, Maryland 21401
(410) 266-3133 o
(410) 352-6110 f
(443) 758-7985 c