

CWA District 1 NY/NE - July 18, 2018

Summary of Tentative Agreement

After CWA's victory in the 2016 strike, we saw a marked improvement in the union's relationship with Verizon management. An attitude of problem-solving replaced an attitude of conflict. The company committed to hiring workers to remove double-poles. A more cooperative relationship developed in the areas of legislation and regulation.

In order to extend this more constructive relationship, Verizon approached CWA this summer and proposed early negotiations to extend our current contract, which expires a little more than a year from now. The parties agreed that bargaining on such an extension would be limited to wages, benefits and duration.

The tentative agreement described below, in the opinion of your bargaining committee, builds on the important gains we achieved as a result of the 2016 strike. We believe that the strength and unity we displayed two years ago set the stage for this excellent contract extension.

1. Duration of Extension

The terms of the contract will become effective upon ratification and will remain in effect until 11:59 pm on August 5, 2023.

2. General Wage Increases

The increases listed below will be applied to all steps of the basic wage schedules on the date indicated:

- 2.50% effective June 21, 2020
- 2.50% effective June 20, 2021
- 2.75% effective June 19, 2022
- 3.00% effective June 18, 2023

This is an 11.2% compounded wage increase over 4-years.

3. Pensions Band Increases

Bands under the traditional pension plan will be increased on the dates indicated:

- 1% effective September 15, 2019
- 1% effective September 15, 2020
- 1% effective September 15, 2021

4. Healthcare Changes

The terms of the health care plan for the next year (2019) were bargained and ratified in 2016. This contract extension establishes plan changes for years 2020 - 2023 as shown.

a. Monthly Contributions toward Health Care Coverage

The following monthly rates apply for Employee Only / Employee + Family Coverage:

	MEP & HCN	EPO, HMOs and Other Plans
2020	\$118 / \$236	\$177 / \$354
2021	126 / 252	189 / 378
2022	134 / 268	201 / 402
2023	142 / 284	213 / 426

b. MEP and HCN Plan Design Change

Plan Design Elements (Employee Only Coverage)

	MEP		HCN	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Annual Deductible				
2020	\$710	\$1,015	\$370	\$1,015
2021	750	1,070	395	1,070
2022	790	1,115	420	1,115
2023	825	1,165	445	1,165
Annual Out-of-Pocket Maximum				
2020	\$1,910	\$3,100	\$1,910	\$3,100
2021	2,000	3,200	2,000	3,200
2022	2,090	3,300	2,090	3,300
2023	2,180	3,400	2,180	3,400

- Deductibles and out-of-pocket maximums for Family coverage will continue to be 2.5x of the employee-only amount.
- Copays for physician office visits, x-rays and lab tests and other services will increase by \$5 in 2023.
- Emergency Room copays will increase by \$10 in 2021 and again by \$10 in 2023.
- Copayments for the follow services will remain unchanged: HCN specialist office visits and covered services, Radiation Therapy, Chemotherapy, Electroshock Therapy, Hemodialysis, Physical Therapy, Occupational Therapy, Speech Therapy, and Covered Mental Health/Substance Abuse Services and Supplies.

- The Maximum Allowed Amount (MAA) that the plan will cover for out-of-network services will be set at 200% of national prices paid by Medicare in 2020 and 190% in 2022. Out-of-network MAA for mental health and substance abuse supplies and services will remain unchanged at 240%.

c. EPO and HMO Plan Design Changes

- Copayments for primary care office visits (including OB-GYN) will increase by \$5 in 2023.
- Emergency Room copays will increase by \$10 in 2021 and again by \$10 in 2023.