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STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF THE FACT FINDING BETWEEN:

COUNTY OF OTTAWA,

Employer,

and

MICHIGAN NURSES ASSOCIATION,

Union.

MERC FACT FINDING  
CASE NO. G90 I-0952

FACT FINDER:  
Kathleen R. Oppewall

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STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS  
COMMISSION  
OFFICE

*Ottawa County*

FACT FINDING REPORT AND RECOMMENDATIONS

A fact finding hearing was held in the above matter on February 2, 1992, with the following persons attending:

**FOR THE COUNTY:**

Norman E. Jabin, Attorney  
Robert Oosterbaan, County Administrator  
Richard Schurkamp, Personnel and Labor Relations Manager  
Judith Johnson, Nursing Director

**FOR THE UNION:**

John Karebian, Labor Relations Director, MNA  
Pat Berger, Labor Relations Representative, MNA  
Beverly Plagenhoef, OCHD Nurse, Bargaining Committee  
Beth Baldwin, OCHD Nurse, Bargaining Committee

The record was closed on March 19, 1992, after receipt of the parties' briefs.

The bargaining unit consists of approximately 33 registered nurses who are employed by the Ottawa County Health Department in public health nursing. The parties' most recent collective bargaining agreement was in effect from January 1, 1989 through December 31, 1990. Negotiations for a new 1991-1992 agreement

began on November 19, 1990. Seven sessions were attended by both parties, with the final session being held on March 28, 1991, with the state mediator. On March 29, 1991, the Michigan Nurses Association filed a petition for fact finding. On October 14, 1991, Kathleen R. Oppewall was appointed as the fact finder.

The petition for fact finding listed four unresolved issues:

Health Insurance  
Retirement  
Sick Leave  
Wages

At the fact finding hearing, the parties resolved the issue of wages for all members of the bargaining unit, including the Jail Nurse. The parties agreed to a 4% wage increase for 1991 and a 4% wage increase for 1992. The issue of wages is therefore not before the fact finder.

#### **FINDINGS OF FACT**

1. At the present time, the members of the bargaining unit work in three job classifications: Community Health Nurse I, Community Health Nurse II, and Jail Nurse. The salary schedule for the Jail Nurse is the same as for the Community Health Nurse II. The bargaining unit also includes the positions of Registered Nurse and Nurse Practitioner, but there are currently no employees in these positions.

2. The members of the bargaining unit are registered nurses who are licensed to practice nursing in Michigan. The community health nurses are employed by the Ottawa County Health Department, and provide health services to county residents in community settings including clinics, schools, and homes. The jail nurse

works at the Ottawa County Jail, performing medical exams and providing treatment to jail inmates.

3. Ottawa County has a population of 187,697 based on the 1990 census, which is up 30,553 over the 1980 census.

4. Ottawa County is currently in a strong financial position, and wishes to maintain that. The County is not asserting any financial inability to pay. The County's 1992 budget shows an increase in general fund revenues of 5.9% and an increase in special revenue funds of 5.8% compared to 1991. (Employer Exhibit 9).

5. The County employs approximately 600 employees, and bargains with seven different bargaining units. The largest bargaining unit includes 232 employees, and is represented by Teamsters Local 214. Approximately 106 employees are covered in three bargaining units of court employees. Approximately 76 police officers are represented by the Police Officers Association of Michigan, and 17 command officers are represented by the Command Officers Association of Michigan. Approximately 130 employees are administrative, managerial, and supervisory employees who are non-union.

6. The Ottawa County Board of Commissioners established certain parameters for negotiations with the various bargaining units. These parameters included continuing efforts on health care cost containment, and a total economic package of 4% per year increases for the various bargaining units.

7. Under the 1989-1990 collective bargaining agreement for this nurses unit, the County experienced some difficulty in recruiting nurses. The 1989-1990 agreement provided that nurses with previous nursing experience could receive up to one year's credit on the salary scale. Under the parties' tentative agreement, this has been increased to five years' credit. It was the County's position that this had solved the recruitment problem.

8. As of January 1, 1992, 72% of the nurses in the bargaining unit had been employed by the County for less than five years. It was the Union's position that this was evidence of a problem with retaining nurses. The County disputed that there was a retention problem, and pointed out that no nurses had left within the past six months.

#### COMPARABLES ISSUE

9. Both parties agreed that the following counties could be used as comparables:

Allegan  
Bay  
Berrien  
Calhoun  
Ingham  
Jackson  
Kent  
Monroe  
Muskegon  
St. Clair

(The County proposed using Ingham County as a comparable, and the Association stated that it had no objection to using Ingham County.) Of these counties, the three which border Ottawa County--Allegan, Kent, and Muskegon--can be considered the strongest comparables. Of these three, Muskegon is in the same population

size range as Ottawa County, with a population between 100,000 and 250,000.

While other counties in the 100,000 and 250,000 population range could be added as comparables, it is not necessary to do so considering the number of agreed upon comparables.

10. It was the Association's position that compensation paid to nurses in the area hospitals should also be considered as an appropriate comparable. The County disputed that the jobs were comparable, focusing in particular on the fact that the county health department nurses worked regular 8 a.m. to 5 p.m., Monday through Friday jobs with weekends and holidays off.

Even if the hospital positions are not considered "comparables," the compensation paid to hospital nurses will have an impact on compensation for nurses in this bargaining unit. Both groups of nurses have the same licensing, and both receive the same educational degree. There is some difference in training and experience between the two groups, but both are part of the same larger labor market for nurses. The supply-and-demand factors which are causing higher compensation rates for hospital nurses will have an impact on the Ottawa County Health Department.

#### WAGE COMPARISON

11. The parties have agreed upon a 4% wage increase for 1991, and a 4% wage increase for 1992. Most of the nurses in the bargaining unit are in the Community Health Nurse I classification. For 1991, the starting rate for this position in Ottawa County will be \$24,384. The top rate for this position, for employees with

seven years or more experience, will be \$29,655. At both the high and the low ends, this will be below the average for the comparable counties. The County's figures show that the average start rate for the comparable counties is \$25,242, and the average top rate for the comparable counties is \$30,893. This means that the start rate for Ottawa County will be \$858 below the comparables, and the top rate will be \$1,238 below the comparables (3.4% and 4.0% below, respectively).

12. The comparison of top rates is complicated by the fact that some but not all of the counties have a CHN II (Senior) position as well as a CHN I position. Muskegon, Kent, and Berrien Counties only have one community health nurse classification. If these are treated as CHN I positions, they bring up the average rate for that position; if they are treated as CHN II positions, they bring down the average rate for that position.

13. For 1992, there are too few contracts settled to make any solid comparisons.

14. This wage comparison information is given to show the relative position of Ottawa County, as a starting point for analysis of the three issues.

#### **HEALTH INSURANCE**

15. At the present time, the Ottawa County nurses contribute 10% of the premium for their health insurance. (Part-time employees pay more, since their coverage is pro-rated based upon the hours they work.) The 10% employee share can be recovered, if the employee participates in an incentive program which includes a

lifestyle risk assessment and an exercise/education program. Only 21 of the 33 bargaining unit members receive the health insurance coverage. Of these, 4 are at the single rate (\$124 per month), 6 are at the couple rate (\$265.57 per month), and 11 are at the family rate (\$332.32 per month). These premium amounts have not increased between 1991 and 1992.

16. For the other Ottawa County employees, the three court units involving 106 employees have agreed to have 20% of the premium paid by the employees; the teamsters local and the police officers are currently still at 10%; and the command officers and the unrepresented employees are still 100% paid by the County.

For external comparables, all of the other counties except Allegan still pay 100% of the premium. Allegan pays 90%.

17. Ottawa County also proposed adding a basic coverage deductible of \$100 per person/\$200 per family. At the present time, there is a deductible on the major medical coverage of \$100 per person/\$200 per family for this bargaining unit.

18. The internal Ottawa County comparables show that the Police Officers Association of Michigan is the only unit which has agreed to add a \$100/\$200 deductible for the basic coverage.

For the external comparables, none of the counties have a basic coverage deductible except St. Clair County, which has a \$150/\$250.

#### **RECOMMENDATION**

It is my recommendation that the existing health insurance program be continued for 1991 and 1992, without any increase in co-

pays or deductibles. This is based on the internal and external comparables, and on the fact that the salaries for the Ottawa County nurses is already somewhat below that of comparable counties. Increasing the premium co-payment by another 10% would be an additional \$398 per year for a nurse with family coverage. This would be approximately 1.5% of salary, which would be a significant portion of a 4% wage increase. I am also considering that the evidence presented was that the premiums had not increased between 1991 and 1992. In addition, the 10% employee co-pay already provides an incentive for employees to use the health risk assessment and wellness programs. No evidence was presented that these programs were not being used, or that additional incentives are needed for this bargaining unit.

#### **RETIREMENT**

19. Ottawa County currently contributes to the Municipal Employees Retirement System (MERS) for this bargaining unit, at the C-1 (old) level. This means that 1.2% of the first \$4,200 and 1.7% of salary in excess of \$4,200 is multiplied by years of service and then multiplied by final average compensation (FAC). Normal retirement is at age 60, with ten years of service. Early retirement without reduction in pension is available for those retiring at age 55 with at least 25 years of credited service.

20. The Association proposed upgrading to the MERS C-2 program (2% x years x FAC) with E-2 (2.5% COLA) and early retirement at age 55 with 15 years service instead of 25 years.



21. A comparison with the comparable counties shows that Ottawa County is currently below the level of most of the comparables. Most of the other counties are at 2% times years of service times final average compensation. Of the closest counties, Kent County is at 2%, Muskegon County is at a flat 1.7% (B-1 level), and Allegan County is at the C-1 level, like Ottawa County.

22. The internal comparables show that the teamsters unit and the court units are at the C-1 (old) level where the nurses are, and the two police units and the unrepresented employees are at the C-2 level with a B-1 base and E-2 benefit (2.5% COLA). The County took the position that the police units had paid dearly for their increase in retirement benefits, by way of reduction in other salary increases.

23. The MERS booklet gives a rough estimate of the additional cost associated with upgrading from a C-1 (old) to an improved benefit. The estimated cost as a percentage of payroll for going from a C-1 (old) to a B-1 (straight 1.7% x years x FAC) is between 1/4% and 3/4%. The estimated cost for going from a C-1 (old) to a C-2 (2% x years x FAC) is between 1% and 2%. The MERS booklet did not give a specific estimate for the additional upgrade to the E-2 COLA feature. The County presented testimony that this would cost an additional 1%, while the Association presented testimony that the cost would be between 1/4% and 3/4%.

#### **RECOMMENDATION**

It is my recommendation that the County upgrade the retirement benefit for the nurses to the B-1 program, as a step in upgrading

these benefits to make them more comparable with the other counties. The B-1 program provides a flat 1.7% of salary times years of service times FAC. The estimated cost for this upgrade would be between 1/4% and 3/4% of payroll. This upgrade would make this benefit equal to that provided by Muskegon County, although it would still be beneath that provided by most of the comparable counties.

This upgrade in retirement should not be charged against the 4% wage increase for this bargaining unit. The modest cost for this upgrade is less than the amount by which the salaries for this bargaining unit are beneath that for comparable counties. It is not realistic for this bargaining unit to require that any increases come out of the 4% wage increase. This bargaining unit covers an occupational group, nurses, which are receiving wage increases at greater than the average rate for other employees. If the County does not recognize this, and make some accommodation for this fact, then the compensation for this occupational group will become uncompetitive.

#### **FAMILY CARE/SICK LEAVE**

24. The parties' current agreement includes a "Child/Spouse Care" provision at Article XVI, Section 1(e)(ii). Employees are provided with up to two days per year with pay for child care due to illness or injury of a child; it is within the Employer's discretion to permit use of these days for spouse care also. This provision is in addition to the six days of sick leave which are provided in case the employee is sick.

25. The parties' current agreement also permits the use of the employees' own sick days in "extreme medical situations" where a child or spouse is hospitalized in "critical" condition.

26. The Association proposed expanding the Child/Spouse Care leave to permit employees to care for parents, and to permit its use for spouse care without requiring Employer permission.

27. The internal comparables show that no other bargaining unit or group has a special provision for additional child/spouse leave in addition to the six sick days. The teamsters contract does permit employees to use up to five days of their regular sick leave for care of "immediate family" members including a spouse, child, parent, father-in-law, or mother-in-law. The unclassified employees also are permitted to use their sick leave for a serious illness or injury in the "immediate family."

28. The external comparables show that it is common to permit employees to use at least some of their own sick leave to care for members of their immediate family.

29. The County presented testimony that approximately six years ago, the County negotiated with all of its groups to reduce sick days from twelve to six. Short-term and long-term disability provisions were substituted instead.

#### **RECOMMENDATION**

It is my recommendation that the special Child/Spouse Care provision not be expanded. The County has a legitimate concern that this special benefit not be further expanded. The parties may

wish to discuss for a future contract allowing a somewhat broader use of the employees' own sick days.

**SUMMARY OF RECOMMENDATIONS**

1. Continue current health insurance provisions.
2. Modest upgrade of retirement benefit to the B-1 program (straight 1.7% x years x FAC).
3. Continue current Child/Spouse Care provision.

Dated: April 1, 1992

  
Kathleen R. Oppewall, Fact Finder

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