

STATE OF MICHIGAN

DEPARTMENT OF CONSUMER & INDUSTRY SERVICES

EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF THE ACT 312
ARBITRATION BETWEEN:

MONTMORENCY COUNTY (Employer)

-and-

POLICE OFFICERS LABOR COUNCIL (Union)

MERC Case #L02 G-3006

OPINION, AWARD AND ORDER

APPEARANCES:

CHAIRPERSON: Mario Chiesa
UNION DELEGATE: Mark P. Douma, Esq.
EMPLOYER DELEGATE: John R. McGlinchey

ADVOCATES:

UNION: John A. Lyons, P.C.
By: Mark P. Douma
675 E. Big Beaver Road
Suite 105
Troy, MI 48083
EMPLOYER: Cohl, Stoker, Toskey &
McGlinchey, P.C.
By: John R. McGlinchey
601 North Capitol
Lansing, MI 48933

INTRODUCTION

The petition in the above matter was filed by the Union and received by the MERC on September 29, 2003. The Chairman was appointed via a correspondence dated March 18, 2004.

Both parties waived all of the time limits contained in the statute and the regulations.

A pre-arbitration conference, via a telephone conference call, took place on June 9, 2004. A pre-arbitration conference summary was authored by the Chairman and issued on June 15, 2004.

The hearing was scheduled for November 4 and 5, 2004. The location of the hearing was the Employer's facilities in Atlanta, Michigan.

PROCEEDINGS AND STIPULATIONS

The meeting commenced at 10:00 a.m. Everyone was present and ready to open the record when the parties decided to continue discussing the issues. As a result, they reached a number of stipulations which they asked the panel to adopt as the award and order in this dispute. The panel carefully considered the submissions and keeping in mind the requirements of Section 9 of the statute, which includes the panel's duty to consider stipulations of the parties, the panel decided that the stipulations were in order and, thus, adopted same as the award and order.

FINDINGS, AWARD AND ORDER

The items stipulated to by the parties and adopted by the panel are as follows and comprise the award and order in this matter.

1. The parties agreed that the Collective Bargaining Agreement will have a term beginning on 1/1/2003 through and including 12/31/2005.

2. The only issues in contention are wages and health care. Both issues are characterized as economic.

3. The parties agreed that the matter was properly before the arbitration panel for a resolution.

4. The parties also agreed that the total award in this matter shall include the panel's award on the two economic issues referenced herein, along with all the appropriate TAs and prior contract language which has not been modified by either the current award and order or TAs.

5. The parties agreed that the award and order in this matter shall apply to not only those individuals identified in the Petition for Arbitration, but all those in the bargaining unit.

6. The parties have agreed that beginning January 1, 2003, all employees in the bargaining unit shall receive a 50 cents per hour wage increase across the board. Effective January 1, 2004, all employees shall receive a 3% wage increase. Effective January 1, 2005, all employees shall receive a 3% wage increase. The parties also agreed that retroactive wages shall be paid to all employees employed on the date of this hearing, which is November 4, 2004.

7. In relation to the issue regarding health insurance, it is noted that the current language is attached as Exhibit 1. The parties have agreed that the current language, which is Article 41, Section 1, shall be modified to read as follows:

"Section 1. Health Insurance Coverage. The Employer encourages employees to seek services from participating providers. If an employee receives care from a nonparticipating provider, even when

referred, the employee may be required to pay the difference between the BCBSM approved amount and the provider's charge by payroll deduction or directly to the provider. The Employer will not be responsible for the difference if an employee chooses to receive care from a nonparticipating provider.

"The Employer provides the Community Blue PPO, Plan 3, with \$15.00 co-pay for prescriptions with/MOPD and Vision A-80 Program with the following amendments:

Hospital and Emergency Room - approved diagnosis	\$25.00 co-pay, waived if admitted or for an accidental injury
Urgent Care Center	\$10.00 co-pay, waived if a medical emergency or accidental injury
Office Visits/Office Consultations	\$10.00 co-pay
Co-pay Dollar Maximums	\$825.00 per member \$1,650.00 per family

"Deductibles shall be \$250.00 per member or \$500.00 per family for in-network services and \$500.00 per member and \$1,000.00 per family for out-of-network services.

"The Employer encourages the employee to utilize the MOPD rider (Mail Order Prescription Drugs). This rider provides benefits to the Prescription Drug Plan for a ninety (90) day supply of prescribed medications by mail, with one co-pay for each ninety (90) day prescription or refill.

"Coverage shall become effective for newly hired employees on the 15th day of the month following thirty (30) calendar days.

"The Employer reserves the right to select a different insurance carrier, become self-funded or obtain any other policy, provided that such different carrier or self-funded provides comparable coverage. Prior to any change in carriers, the Employer shall notify the Union thirty (30) calendar days in advance and shall meet with the Union, upon the Union's request, within that thirty (30) days to discuss the proposed change. The Union reserves the right to file a

grievance if it believes that the proposed change is not going to provide comparable coverage."

8. It is agreed by the parties that keeping in mind the practicalities involved in instituting the changes in the health care, that the stipulations relating to both issues will become effective on November 4, 2004.

AWARD AND ORDER

The panel orders that the parties' stipulation as referenced above be immediately adopted.

Marib Chiesa 11-15-04
Marib Chiesa, Chairman

John R. Madlinchey 11-10-04
John R. Madlinchey
Employer Delegate

19 11-12-04
Mark P. Douma
Union Delegate

Dated: November 9, 2004

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 11-15-04
Mario Chiesa, Chairman

15 11-10-04
John R. McGlinchey
Employer Delegate

 11/12/04
Mark P. Douma
Union Delegate

Dated: November 9, 2004

Employer Issue

**ISSUE: HOSPITALIZATION MEDICAL COVERAGE, LIFE INSURANCE, FALSE
ARREST INSURANCE
(Article 41/Section 1)**

Current Contractual Language:

Section 1. Health Insurance Coverage. The Employer encourages employees to seek services from participating providers. If an employee receives care from a nonparticipating provider, even when referred, the employee may be required to pay the difference between the BCBSM approved amount and the provider's charge by payroll deduction or directly to the provider. The Employer will not be responsible for the difference if an employee chooses to receive care from a non-participating provider.

The Employer provides the Community Blue PPO, Plan 3, with Preferred Rx \$5.00 co-pay/\$10.00 Name Brand co-pay with/MOPD and Vision A-80 Program with the following amendments:

Hospital and Emergency Room - approved diagnosis	\$25.00 co-pay, waived if admitted or for an accidental injury
Urgent Care Center	\$10.00 co-pay, waived if a medical emergency or accidental injury
Office Visits/Office Consultations	\$10.00 co-pay
Co-pay Dollar Maximums	\$750.00 per member

The Employer shall pay the \$750.00 deductible for all eligible employees. Employees shall be responsible for co-payments of \$10.00 for Urgent Care Center, Office Visits, Office Consultations and \$25.00 for Hospital Emergency Room until they have reached their maximum deductible of \$50.00 for a single person or \$100.00 per family. Once the employee has reached their maximum deductible, the County shall be responsible for all additional co-payments for eligible blue cross services thereafter on an annual basis.

The Preferred Rx \$5.00 co-pay/\$10.00 Name Brand increases the member's co-pay by \$5.00 when he or she receives a brand name drug, even if the prescription indicates "DAW" or there is not generic equivalent drug available. The County shall reimburse employees in the amount of \$5.00 for each prescription or refill that is not available in the generic form.

The Employer encourages the employee to utilize the MOPD rider (Mail Order Prescription Drugs). This rider provides benefits to the Prescription Drug Plan for a

ninety (90) day supply of prescribed medications by mail, with one co-pay for each ninety (90) day prescription or refill.

Coverage shall become effective for newly hired employees on the 15th day of the month following thirty (30) calendar days.

The Employer reserves the right to select a different insurance carrier, become self-funded or obtain any other policy, provided that such different carrier or self-funded provides comparable coverage. Prior to any change in carriers, the Employer shall notify the Union thirty (30) calendar days in advance and shall meet with the Union, upon the Union's request, within that thirty (30) days to discuss the proposed change. The Union reserves the right to file a grievance if it believes that the proposed change is not going to provide comparable coverage.

Union Proposed Modifications:

The Union is proposing the current health coverage remain status quo.

Employer Proposed Modifications:

Modify this section to reflect the Blue Cross/Blue Shield PPO Option 3, with no reimbursements of deductibles. Change to a \$15 generic/\$30 brand name prescription rider with no reimbursements.

Add language that bargaining unit members to have same insurance program as non-union employees of the county, with the Employer right to change carriers, coverages and plans as determined by the Employer.