

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

**TUSCOLA COUNTY
SHERIFF'S DEPARTMENT**

**ACT 312 ARBITRATION
MERC Case No. E10 H-8003**

- and -

POLICE OFFICERS LABOR COUNCIL

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STATE EMPLOYMENT
RELATIONS COMMISSION
DETROIT, MICHIGAN

Arbitration Panel

Chairman: Barry Goldman
Employer Delegate: Robert A. Kendrick
Union Delegate: Thomas Zulch

Appearances

For the Employer: Robert A. Kendrick
For the Union: Thomas Zulch

Issues (All Economic)

1. Prescription drug co-pays
2. Retroactivity to February 1, 2011 of changes in health care and/or prescription drugs

Chronology

Arbitration Petition Filed: January 6, 2011
Chairman Appointed: April 21, 2011
Pre-Hearing Conference: May 12, 2011
Evidentiary Hearings: June 9, 2011
Final Offers Exchanged: June 9, 2011
Findings Issued: June 9, 2011

Background

Prior to the evidentiary hearing in this matter, the parties entered into an agreement resolving all but two of the issues originally brought before this panel. That agreement is attached hereto and made a part of this award.

The Act 312 statute (Section 9) requires that the panel base its findings on the following factors:

- (a) The lawful authority of the employer.
- (b) Stipulations of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet these costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
 - (i) In public employment in comparable communities.
 - (ii) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-findings, arbitration or otherwise between the parties, in the public service or in private employment.

The parties having agreed that the two issues remaining before the panel are both economic, the statute also requires that the panel "adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in section 9."

1. Prescription Drug Co-pays

The Employer's final offer is to amend the prescription drug co-pay language to require:

\$20.00 generic, \$40.00 preferred brand name, \$60 non-preferred brand name.

The Union's final offer is to retain the status quo:

\$15.00 generic, \$30.00 brand name.

In the opinion of the arbitration panel, the Employer's final offer more nearly complies with the applicable factors prescribed in Section 9 of the statute.

Finding: The panel adopts the Employer's proposal to amend the prescription drug co-pay provision.

2. Retroactivity

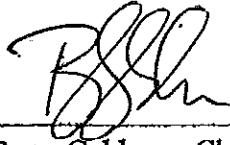
The Employer's proposal is to make the changes in health care and/or prescription drugs retroactive to February 1, 2011.

The Union's proposal is not to make those changes retroactive; but to make the changes as soon as practicable following the effective date of this 312 Award.

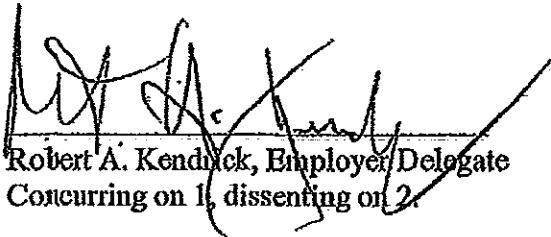
In the opinion of the arbitration panel, the Union's final offer more nearly complies with the applicable factors prescribed in Section 9 of the statute.

Finding: The panel adopts the Union's proposal. Changes in health care and prescription drugs will not be made retroactive, but will be implemented as soon as practicable following the effective date of this 312 Award.

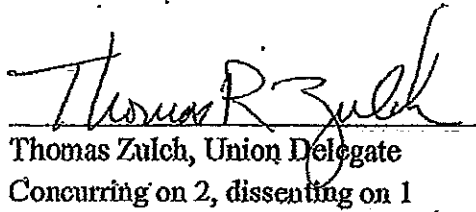
Respectfully submitted,

 6/9/11

Barry Goldman, Chairman

 6/9/11

Robert A. Kendrick, Employer Delegate
Concurring on 1, dissenting on 2.

 6-9-11

Thomas Zulch, Union Delegate
Concurring on 2, dissenting on 1