



Your Union Newsletter

MAY - JUNE, 2015

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President's Corner – 2015 WPEC Convention

Submitted by Greg Georg

On April 25, 2015 WPEC held its 23rd annual convention at the Dane County United Way Building in Madison. The convention was attended by approximately 22 regular and associate members of WPEC.

The members in attendance heard reports on membership and current finances, discussed and voted on three proposed constitutional amendments and several proposed resolutions, and elected delegates to the AFT-Wisconsin Convention in October.

The three proposed constitutional amendments included; a change to the deadline for submitting proposed amendments prior to the convention from 90 days prior, to 60 days prior; eliminating some outdated language in the dues section of the bylaws; and increasing the amount of dues to cover a \$1.00 dues increase by AFT at their national convention last summer and a \$.10 AFL-CIO increase. The dues increase by AFT took place in two parts, roughly one half in September 2014 and the remainder to take effect in September 2015. WPEC absorbed the first increase paying the increase to AFT out of our reserves for the first year. All three proposed amendments were passed by the members at the convention. The dues increase of \$1.10 will go into effect with the September 2015 dues payment.

There were several resolutions that were passed by the convention. Among them were:

- That WPEC supports the “Black Lives Matter” movement
- That WPEC supports the May 1st International Workers Day events in Wisconsin in 2015 and going forward.
- That WPEC will pay \$25.00 towards the cost of leaflets for the May Day Rally at the Capitol.
- That WPEC endorses the work of the Campus Worker Coalition and Classified Staff Governance organizations. WPEC will endeavor to participate where possible to promote the interests of all workers at all UW institutions.

The afternoon session of the convention involved a discussion of the future of WPEC and public employee labor over the next several years. All of those present, both those who are currently in the workplace and retirees in attendance, contributed greatly to the discussion.

Downtown Madison All Union Meetings

Submitted by Sue Handrich-Herr

The GEF-1 All Union Building Meeting has set the schedule for the remainder of the year. The Council is an educational series of Brown Bag sessions. Each month we cover a specific topic that is presented by a speaker between 12:00-12:30. Employees from all State Employee Unions from any building, whether currently members or not, are welcome to attend. All are welcome to attend the entire meeting, which starts at 11:45, or come just for the speaker at noon.

All sessions are held in the GEF-1 building, 201 E. Washington Ave., Madison, WI 53203, in room H306. The meeting begins at 11:45, and the Brown Bag session begins at 12:00 noon. The meeting is held the last Tuesday of every month, with no meeting in December.

Future sessions:

- June 30, 2015; Reasonable Accommodations
- July 28, 2015; Lurking in the Budget
- August 25, 2015; Health Insurance Changes 2016
- September 29, 2015; Protected Concerted Action
- October 27, 2015; Privatization of Public Services
- November 24, 2015; New Work Rules
- No meeting in December

We hope to see you there. Please share this information with your friends and coworkers that may be interested in attending as well.

Classified UW Employees to Fall Under UW Board of Regents Policies July 1st

Submitted by Ruth Ginzberg

On Wednesday, July 1st, 2015, all State of Wisconsin Classified employees working for UW will become University Staff whose employment is governed by Board of Regents policies rather than by OSER. They will remain in the WRS retirement system and will continue to receive the same health insurance options as Classified employees at other state Agencies.

This change is a result of Act 32 which was signed into law by Governor Walker in 2011. Originally the cut-over was to happen in 2013, but in 2013 the Legislature voted to postpone it until 2015.

Over the following months, those University Staff who are FLSA Exempt will be offered positions as Academic Staff. Nobody is required to become Academic Staff; it is the employee's choice. The University must schedule one-on-one counseling sessions with each employee (i.e., not in a group meeting) to whom it intends to offer a move to Academic Staff status. In these meetings with HR, each individual can ask, and has a right to receive answers, to any questions he or she might have about his or her particular employment situation, including benefits, advantages, risks and disadvantages of moving to Academic Staff.

Those who elect to become Academic Staff will be paid once per month rather than bi-weekly. They will have 176 hours of vacation per year, which could be a decrease for some who've been Classified Staff for fifteen years or more. They will not have the option to receive pay for one week of unused vacation time at the end of the year (currently available to those Classified staff with 200 or 216 hours of annual vacation). Unused vacation will still be able to be banked in the employee's sabbatical account.

Academic Staff are all on limited term contracts, typically of one year's duration. Each year the Academic Staff member is notified by the employer whether or not his or her contract will be renewed. The University does not need to follow a layoff procedure to non-renew an Academic Staff contract; UW would just inform the employee that his or her contract will not be renewed and the employee is out of a job. Non-renewal of a contract for Academic Staff is non-grievable, except if the employee alleges that the non-renewal was retaliatory for some protected activity (such as taking FMLA or filing a grievance).

UW will not be providing any additional compensation to those Classified employees who elect to become Academic Staff. Salaries will remain unchanged across the transition.

You can switch from a Classified Exempt position to an Academic Staff position at any time, including after having remained Classified for many years, if that is your desire. Once you become Academic Staff, you cannot switch back to Exempt Classified or University Staff status.

All current Classified Staff at UW will retain reinstatement (not “transfer”) rights to Classified positions in other (non UW) State agencies for five years. After five years have passed, any UW employee wanting to apply for a civil service position in a non-UW State agency would need to re-take the civil service exam and score above the cut-off for applicants under consideration for that particular position.

WPEC would like to hear about it if you feel that you are being bullied, harassed, intimidated or otherwise coerced into becoming Academic Staff, if you feel that HR is not giving you complete information, or if you feel like you are being rushed into making a decision. Your Classified Staff and Academic Staff shared governance organizations would also appreciate knowing if this process is not giving employees the time and information they need to make informed choices.

Making a Difference

Submitted by Sue Handrich-Herr

We would like to start a new feature column in the bimonthly newsletter called “Making a Difference”. The column will highlight a story or stories about employees making a difference in people’s lives, whether that be as part of the work they do or independently in the community.

Public employees have been denigrated for long enough. It’s time we celebrate the positive things that public employees do every day. The best way to do that is to make those stories known. That’s where you come in.

We need stories to share. If you, or someone you know, has made a difference to customers or in the community please tell us about it. It can be just a few short paragraphs explaining the details of who, what, why, how, and when. We will include these stories in the newsletter. If you are writing about someone else, please get permission from the person that is the subject of the story for us to publish it before you submit.

The success of the column will depend on the written contributions we receive. Please keep your eyes and ears open for stories worth celebrating and share them. With public employees being a constant target for attack, it is important that we raise each other up. Articles can be submitted to wpec-communiaton@aft-wisconsin.org.

Retirement Security for All

Submitted by POWRS (Protect Our Wisconsin Retirement Security)

Woefully few Americans have properly saved for retirement! Even those with access to 401 (k)’s have not saved enough. WI is not immune to these national trends. A shocking 22% of all seniors above age 65 depend upon Social Security for 90% or more of their income (AARP)

WI stands well above these trends for one simple reason: the Wisconsin Retirement System (WRS). It is recognized around the world as being one of the best designed and operated systems. Nearly 600,000 public sector participants plus their families depend on it, returning over \$3 billion annually to WI’s economy. And, taxpayers are not exposed if investment losses occur because losses come out of annuity payments.

What about WI’s 1.5 million private sector employees? Only half of all private employers even offer retirement plans and most of those are 401 (k)-plans which are NOT designed for retirement security. In 2014, Senator Dave Hansen introduced Senate Bill 611 to allow the state to examine options to use the WRS as a template for a private sector retirement system. A partisan party line vote prevented the bill from clearing committee.

The Republican-controlled legislature sees fit to constantly “reform” it by making changes that weaken it. The most grievous example happened in the 2011-2013 budget bill (Act 32) when the annual hours of work for WRS eligibility was doubled (600 to 1,200 hours). This seemingly simple change could prevent upwards of nearly 20,000 part-time employees from EVER qualifying for a secure WRS retirement (former ETF Secretary David Stella’s contemporaneous estimate).

Pension systems like the WRS are complex, delicately-balanced institutions. Removing employee groups, changing vesting requirements, or allowing “opt-outs” can all affect the system’s long-term health and ability to provide retirement security for all. Such changes are analogous to peeling an onion. Remove enough layers and, “poof”, it ceases to exist. Proposed changes MUST meet rigorous standards of financial and intellectual scrutiny!

EVERYONE deserves a secure retirement and WI is well positioned to take advantage of its world-renown system for both the public and private sectors. POWRS calls on the legislature and governor to immediately recognize three basic principles of retirement security in Wisconsin: 1) everyone deserves it, 2) the WRS anchors it, and 3) no changes or “reforms” to the WRS should *ever be considered* in the absence of full research, detailed actuarial analysis, and extended public hearings/reviews. The retirement crisis is real and it is here. *Stewardship* of the WRS is critical.

The Price of Health Insurance

Submitted by Sue Handrich-Herr

As we mentioned in the last newsletter there are significant changes coming to the state employee health insurance benefits for 2016. The Group Insurance Board met May 19th and approved the benefit changes for 2016. The result is most of the \$85 million savings over the two year period is achieved by passing costs to the employees themselves.

The board approved implementing a deductible, \$250 for single, \$500 for family coverage. The plan is being switched from a 10% coinsurance model to a copay model, \$15 for a primary care physician visit, \$25 for a specialist visit. The out-of-pocket costs will be capped at \$1,000 for single, and \$2,000 for family coverage. Participants in the Standard Plan that currently have deductibles and out-of-pocket limits, those will be raised to match everyone else. Chiropractic and therapy services will be at the physician copay, urgent care will be at the specialist copay. The copay and deductible will not apply to preventative health services. These changes won’t apply to annuitants enrolled in Medicare Parts A, B, and D.

Participants in the High Deductible Health Plan and Health Savings Accounts (HSA) will see an increase in the state’s contribution to the HSA, from \$170 to \$750 for single, and \$340 to \$1,500 for family coverage. If there are unused funds left in the HSA at the end of the calendar year, only \$500 of it can be carried forward to the following year. The deductibles for these plans are \$1,500 for single, and \$3,000 for family coverage. So the HSA contribution will only cover about half of the participant’s expenses if they reach the deductible maximum. The rest is borne by the participant through their annual premium contribution savings, \$720 for single and \$1,788 for family. The out of pocket maximums for the high deductible plan remain the same for 2016, \$2,500 for single, \$5,000 for family coverage.

Pharmacy benefits will be changing as well. The current Level 1 generic copay will remain \$5. The Level 2 brand name copay will change from \$15 to 20% of the drug cost up to a \$50 maximum. The Level 3 brand name copay will increase from \$35 to 40% of the drug cost up to a \$150 maximum. Level 3 drugs will not apply to the out-of-pocket maximums. And finally the Level 4 brand name copay will range from \$50 at a preferred pharmacy to 40% up to a \$200 maximum at a non-preferred pharmacy. These copays apply to annuitants enrolled in Medicare Parts A, B, and D as well. The impact of this change could be significant for some participants.

Surprisingly, also approved by the board is advanced care planning and/or a palliative care consultation. This coverage is defined “to ensure that members facing serious illness and survival of less than 6 months are informed of care options

and are able to make treatment decisions based on their individual values and goals of care”. This same coverage was to be part of the Affordable Care Act but was removed when there was public criticism that they were “death panels”.

The Board approved a \$2,000 opt-out incentive for employees who choose not to enroll in group health insurance. This is a really sweet deal for the state because they currently spend anywhere from \$7,225 to \$41,734 per employee to provide health insurance depending on the circumstances. This would be of benefit to employees that already have other insurance through a family member, but would hardly be incentive to give up such a large part of their compensation package.

No information has been determined what employee premium contributions will be for 2016. Contributions rates are based on insurance premiums. The premiums will be negotiated this summer based on these new benefit standards and the contribution rates will be announced in August.

There have been statements made in the news about these changes being necessary to avoid the Affordable Care Act “Cadillac tax”. As a point of clarification, that tax does not take effect until 2018, or six months after this biennium budget will have ended. Implementing these changes now is not a necessity. What is apparent is that state workers are, once again, being expected to make sacrifices to plug holes in the state’s budget.

For more information on the changes see the ETF website: http://etf.wi.gov/news/ht_20150528.htm

Union Begins with “U” – Calendar of Events

Know of any labor friendly events in your community that you would like to share with other members? Please email the details and links to: wpec-communication@aft-wisconsin.org

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| June 11, 2015 | Another Budget is Possible Rally, starts at 4:30, GEF-2 & Capitol |
| June 17, 2015 | Birthday Party for WI Civil Service, 5:00, State Street Plaza (between Ian’s Pizza and Vet’s Museum) |
| June 26, 2015 | Dodge County All Union Picnic, 12:00-6:00, Discher Park, Horicon |
| June 30, 2015 | GEF-1 Building Meeting, Reasonable Accommodations, 11:45-12:30, GEF-1 Building |
| July 18, 2015 | WPEC Executive Council Meeting, 9:00-12:00, location TBD |
| July 18, 2015 | WPEC Communications Committee Meeting, 1:00-3:00, location TBD |

Have an article or story of interest you’d like to see in the newsletter? We welcome submissions. Please review the [Standards and Guidelines](#) to ensure your submitted article meets those guidelines. Submissions can be made via email: wpec-communication@aft-wisconsin.org.