#### THE COMPTROLLER OF THE CITY OF NEW YORK

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In the matter of the Complaint of

Local Union 1969, Civil Service Employees, I.U.P.A.T.

Against

### CITY OF NEW YORK OFFICE OF LABOR RELATIONS,

For a determination of the prevailing rate of wage and supplements in accordance with New York State Labor Law Article Eight.

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PLEASE TAKE NOTICE that annexed hereto is a true copy of a Consent Determination

that was duly filed on July 15, 2024 in the Office of the Comptroller in the matter of a complaint

for the fixation of compensation of Painter (91830) and Supervisor Painter (91873).

Brad Lander Comptroller of the City of New York One Centre Street New York, NY 10007

NOTICE

<u>OF</u> FILING

By:

Tan

Paul Brumlik Director of Classifications Bureau of Labor Law Tel: (212) 669-2161 Fax: (212) 815-8681 TO: RENEE CAMPION Commissioner City of New York, Office of Labor Relations 22 Cortlandt Street, 28th Floor New York, NY 10007

> JOSEPH AZZOPARDI Business Manager/ Secretary – Treasurer District Council 9 45 West 14th Street New York, NY 10011

#### **BEFORE THE COMPTROLLER OF THE CITY OF NEW YORK**

In the Matter of the Complaint on behalf of employees in the titles:

PAINTER (91830) and SUPERVISOR PAINTER (91873)

for the fixation of their compensation as employees of the City of New York, et al., at the prevailing rate of wages and supplemental benefits pursuant to New York State Labor Law Section 220 et <u>seq</u>.

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#### **CONSENT DETERMINATION**

A Complaint under Section 220 of the New York State Labor Law, having been filed by Local Union 1969, Civil Service Employees, District Council 9, I.U.P.A.T. ("Complainant"), representing employees of the City of New York, et al., in the above referenced titles ("employees"), and this Consent Determination having been agreed to between the Mayor's Office of Labor Relations ("OLR") on behalf of the City of New York, et al., and the Complainant, compromising and settling certain disputes of basic rates of wages, supplemental benefits and jurisdiction on all issues of law and fact as to the titles set forth in the caption,

# NOW, THEREFORE, IT IS HEREBY DETERMINED BY CONSENT that:

The compromised basic rate of wages and supplemental benefits agreed upon are and have been for the above mentioned employees of the City of New York, et al., as follows:

#### HOURLY RATES

Period			Painter	Supervisor Painter
6/25/2021	to	6/24/2022	\$46.36	\$52.98
6/25/2022	to	6/24/2023	\$47.75	\$54.57
6/25/2023	to	6/24/2024	\$49.18	\$56.21
6/25/2024	to	6/24/2025	\$50.66	\$57.90
6/25/2025	to	7/24/2026	\$52.31	\$59.78

Period			Painter <u>Scaffold</u> <u>Spray Painting</u> <u>Decorating</u> <u>Fire Escape</u> <u>Taping</u>	Supervisor Painter <u>Scaffold</u> <u>Spray Painting</u> <u>Decorating</u> <u>Fire Escape</u> <u>Taping</u>
6/25/2021	to	6/24/2022	\$50.58	\$57.80
6/25/2022	to	6/24/2023	\$52.10	\$59.53
6/25/2023	to	6/24/2024	\$53.66	\$61.32
6/25/2024	to	6/24/2025	\$55.27	\$63.16
6/25/2025	to	7/24/2026	\$57.07	\$65.21

Overtime after seven (7) hours worked and overtime after thirty-five (35) hours worked shall be computed at the rate of time and one-half (1-1/2x). All time during which an employee is in full pay status, except hours worked after a seven (7) hour shift and paid for as premium rate overtime, are to be counted towards computing the thirty-five (35) hours worked in a week for the purpose of earning overtime after thirty-five (35) hours worked.

Overtime for employees working an alternative work schedule at the New York City

Housing Authority shall be paid as follows: Overtime after eight (8) hour and 45-minutes worked and overtime after thirty-five (35) hours worked shall be computed at the rate of time and one-half (1.5x). All time during which an employee is in full pay status, except hours worked after an 8 hour and 45-minute shift and paid for as premium overtime, are to be counted towards computing the thirty-five hours worked in the week for the purpose of earning overtime after thirty-five hours worked.

Work performed by complainants herein employed by the Human Resources Administration, between the hours of 4:00 P.M. and 12 midnight, shall be compensated in cash at the rate of time and one-half (1-1/2x).

Employees who are assigned to do taping, decorative, fire escape or scaffold and spray painting, uninterrupted for at least a four (4) hour working day, are to receive the rates provided for in discharge of these duties:

1. Preparation and cleanup shall be included as spray time performed by the spray operator;

2. The scaffold rate set forth herein shall be payable for a) interior and exterior swing scaffold work; b) work done with window belts or from boatswain chairs; and c) work that is twenty feet or more in height including work done from extension ladders or from stationary or rolling platforms. In determining the height of the work, the highest point of work on the particular surface shall govern and all work on that surface shall be compensable at the rate so determined.

3. Decorating work shall constitute designing ornaments, flowers and figures, stenciling, fresco painting, marbleizing, graining and decorative stenciling.

Effective June 25, 2021, the City of New York, et al., shall continue to contribute \$1,975

per employee per annum to the Local Union 1969 Civil Service Employee Welfare Fund ("the Welfare Fund"). Effective September 25, 2023, there shall be a \$50 increase per employee per annum to the Welfare Fund Contribution for a total of \$2,025. Said contributions are to be remitted to: the Trustees of Local Union 1969, Civil Service Employees Welfare Fund.

Employees who have been separated from service subsequent to August 1, 1973, and who were covered by a Welfare Fund at the time of such separation pursuant to a separate agreement between the City and the certified union representing such employees, shall continue to be so covered subject to the provisions hereof on the same contributory basis as incumbent employees. Contributions shall be made only for such time as said individuals remain primary beneficiaries of the New York City Health Insurance Program and are entitled to benefits paid for by the City of New York through said Program, or are retirees of the New York City Employees Retirement System who have completed at least five (5) years of full time service with the City of New York, except that contributions for those employees hired after December 27, 2001 shall be governed by the provisions of §12-126 of the Administrative Code of the City of New York, as amended.

Effective June 25, 2021, the City of New York, et al., shall continue to contribute to the Local 1969 Civil Service Employees Annuity Fund ("the Annuity Fund") at the rate of \$4.81 per day per employee, for each day actually worked, regardless of hours in excess of seven (7), excluding annual leave days, sick leave days, vacations and other exclusions pursuant to regulatory provisions affecting the payment thereof. For the purpose of this supplemental benefit, a compensatory day off shall be considered a day worked.

Effective June 25, 2025, the above annuity fund contribution shall be increased to \$5.06

per day per employee consistent with the terms set forth above.

Effective June 25, 2026, the above annuity fund contribution shall be increased to \$5.94 per day per employee consistent with the terms set forth above.

NYCHA employees assigned to work a 4-day work week alternative work schedule will receive credit for five (5) days of annuity fund contributions consistent with the letter agreement attached hereto. NYCHA will continue to regard a (35) hours work week, which is consolidated into a 4-day work week, as set forth above, as five (5) working days.

This Annuity Fund contribution will be subject to a separate agreement between the City of New York, et al., and Complainant. The liability of the City of New York, et al. shall in no event exceed the amount hereinabove set forth for each effective day payable, irrespective of any upward modification by reason of imposition of any taxes, liens, attorneys' fees or otherwise, and provided further that the amount of contributions by the City et al., shall be limited to the payment herein.

Citywide pension benefits shall be continued pursuant to applicable statute.

City Health Benefit (Insurance) program shall be continued. The parties agree that the May 5, 2014 and June 28, 2018 letters regarding health savings and welfare fund contributions between the Municipal Labor Committee and the City is incorporated as if fully set forth herein.

The City of New York, et al., shall continue to provide twelve paid holidays: New Year's Day; Dr. Martin Luther King Jr.'s Birthday; Lincoln's Birthday; Washington's Birthday; Memorial Day; Independence Day; Columbus Day; Election Day; Veteran's Day; Thanksgiving Day; Christmas Day and Labor Day. Effective May 17, 2022, Juneteenth shall be a regular holiday with pay for full-time employees. This holiday is in addition to those set forth in Appendix A Section VII annexed hereto.

The annual leave and sick leave provisions set forth in Article I, Section 2 and Article II, Section 1 of Appendix A annexed hereto shall be modified as follows:

1) The annual leave allowance for Painters shall accrue at the following rate:

Effective Date	Per annum allowance	Monthly Accrual (hh:mm)
6/25/21	24 ½ days	14:18

2) The annual leave allowance for Supervisor Painters shall accrue at the following rate:

Effective Date	Per annum allowance	Monthly Accrual (hh:mm)
6/25/21	24 days	14:00

3) The sick leave allowance for Painters and Supervisor Painters shall accrue at the following rate:

Effective Date	Per annum allowance	Monthly Accrual (hh:mm)
6/25/21	12 days	07:00

**\*NOTE:** Annual leave at the Housing Authority includes vacation, sick, personal business and religious observance days. Therefore, Painters and Supervisor Painters are entitled to the sum of the sick leave days and annual leave days shown above. These provisions supersede the annual leave accrual schedule set forth in the Personnel Rules and Regulations of the New York City Housing Authority.

NYCHA employees assigned to work an alternative schedule shall continue to accrue the same leave, in hours and minutes, as employees working traditional schedules consistent with the letter agreement attached hereto.

4) No paid leave benefits set forth in Article III, Sections (1)(a)-(f) of Appendix A annexed hereto

shall apply.

5) Except as modified by this Consent Determination, the provisions set forth in Appendix A annexed hereto shall apply to the employees for the period from and including June 25, 2021 through and including July 24, 2026.

a) The provisions of this Consent Determination shall be consistent with the applicable provisions of the New York State Financial Emergency Act for the City of New York, as amended.

b) The Complainant agrees to execute a full release to the City of New York et al., for the period embraced herein, such release being set forth in the General Release and Waiver attached hereto as Exhibit "A".

c) The Complainant agrees to waive any and all interest on all differentials of basic rates of wages and supplemental benefits. It is expressly understood that such waiver, set forth in Exhibit "A" annexed hereto, shall include the waiver of any right to interest payments due pursuant to subdivision 8c of Section 220 of the Labor Law (L. 1967, c, 502, 1). However,

(1) Interest on wage increases shall accrue at the rate of three percent (3%) per annum from one hundred twenty (120) days after the filing date of this Consent Determination, or one hundred twenty (120) days after the effective date of the increase, whichever is later, to the date of actual payment,

(2) Interest on shift differentials, holiday and overtime pay shall accrue at the

rate of three percent (3%) per annum from one hundred twenty (120) days following their earning, or one hundred twenty (120) days after the filing date of this Consent Determination, whichever is later, to the date of actual payment and

- (3) Interest accrued under (1) or (2) above shall be payable only if the amount of interest due to an individual Employee exceeds five dollars (\$5.00).
- d) The Complainant herein shall refrain from filing any Article 78 proceedings in whole or in part with respect to any provision made herein and for any additional benefits other than those contained herein excepting that the right is reserved to bring any necessary proceedings for the enforcement of the terms of the Consent Determination.
- e) The Complainant agrees to withdraw any and all objections in all of the periods embodied herein.
- f) The Complainant agrees to waive any and all supplemental benefits payable under subdivision 3 of Section 220 of the Labor Law of the State of New York, such waiver being set forth in Exhibit "A" annexed hereto, and accept in lieu thereof the supplemental benefits set forth in this Consent Determination, and as set forth in Appendix A annexed hereto as modified herein.
- g) Any new Employee who may be hired by the City of New York, et al., during the term of this settlement shall be required to comply with all of the terms and conditions herein upon the payment of the rates and supplemental benefits herein.

- h) Any legal claims of any nature, including specifically, but not limited thereto, premium rates, holiday rates, shift rates, overtime rates or any other legal claims affecting rates and supplemental benefits of any kind whatsoever, are merged in this compromise and settlement for the period of compromise and settlement contained herein.
- i) The foregoing basic rates of wages and supplemental benefits are due and payable to each and every employee of the City of New York, et al., serving in the abovereferenced titles beginning as of the effective date of the complaint filed herein, and shall be applicable to all employees of the City of New York, et al., serving in the above-referenced titles who are represented by the Complainant.
- j) The basic rates and supplemental benefits herein are not to be construed as true prevailing rates and supplemental benefits but shall be considered rates and benefits in compromise and settlement of all issues of law and fact.
- k) It is further understood and agreed that in consideration of the compromise and settlement reached herein, the complaint in this matter is hereby settled.
- The submission of any Labor Law complaint, effective on July 25, 2026, can be made at the Bureau of Labor Law, of the Office of the Comptroller on or after that date.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

CONSENTED TO:

BY:

FOR THE CITY OF NEW YORK

RENEE CAMPION Commissioner of Labor Relations

FOR LOCAL UNION 1969, CIVIL SERVICE EMPLOYEES, DIS CIL 9, COL RICA I.U.P.A.T. BY: JOSEPH AZZOPARDI Business Manager/Secretary Treasurer

The basic rates and supplemental benefits agreed to herein between the parties are not to be construed as true prevailing rates and supplemental benefits, but shall be deemed substitute rates and benefits in compromise and settlement of all issues of law and fact raised in the complaint filed herein pursuant to Labor Law Section 220.8-d.

IT IS SO DETERMINED AND ENTERED

BRAD LANDER Comptroller

Dated: July 15, 2024 New York, New York

UNIT: Painter, Supervisor Painter TERM: June 25, 2021 to July 24, 2026

#### GENERAL RELEASE AND WAIVER

Local Union 1969, Civil Service Employees, District Council 9, I.U.P.A.T., (hereinafter referred to as the "Union"), as the certified collective bargaining representative of employees in the titles, PAINTER and SUPERVISOR PAINTER for and in consideration of the wage rates and supplemental benefit package negotiated and agreed upon by the Union and the City of New York, et al. as set forth in a collective bargaining agreement for the period beginning **June 25, 2021 and terminating July 24, 2026,** a copy of which has been made available to the Union, hereby voluntarily and knowingly agrees to:

- 1. Waive, withdraw, relinquish, and refrain from filing, pursuing or instituting any claim for wages, supplements or other benefits, or any right, remedy, action or proceeding, which the Union has or may have under Section 220 of the Labor Law.
- 2. Discontinue any and all action or proceedings, if any, heretofore commenced by me or on my behalf of the above mentioned titles under and pursuant to Section 220 of the Labor Law applicable to the period **June 25, 2021 to July 24, 2026.**
- 3. Waive any and all interest on all differentials of basic rates of wages and supplemental benefits from June 25, 2021 to July 24, 2026 except as expressly agreed upon in writing by the Union and the City of New York, et al. It is expressly understood that such waiver shall include the waiver of any right to interest payments pursuant to Subdivision 8c of Section 220 of the Labor Law (L. 1967,c. 502, Section 1).
- 4. Release and forever discharge the City of New York, et al. from all manner of actions, cause and causes of actions, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, cariances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever in law or in equity which the Union, on behalf of employees in the above titles, shall or may have, by reason of any claim for wages or supplemental benefits pursuant to Section 220 of the Labor Law from June 25, 2021 to July 24, 2026 except as expressly agreed upon in writing by the Union and the City of New York, et al. for that period.

Local Union 1969, Civil Sorvice Employees, District Council 9/1.U.P. Joseph Azzopardi

Business Manager/Secretary Treasurer



22 Cortlandt Street, New York, NY 10007 nyc.gov/olr

> Claire Levitt Deputy Commissioner Health Care Strategy

Georgette Gestely Director, Employee Benefits Program

Renee Campion Commissioner Daniel Pollak First Deputy Commissioner Nicole Andrade General Counsel

> Joseph Azzopardi Business Manager/Secretary Treasurer Local Union 1969, Civil Service Employees District Council 9, I.U.P.A.T. 45 West 14<sup>th</sup> Street, 3<sup>rd</sup> Floor New York, New York 10011

### Re: Painters, et. al. Consent Determination 2021-2026 Non-Day Shift Work

Dear Mr. Azzopardi:

This is to confirm the understanding of the parties that, prior to the implementation of any future non-day shift program involving Painters and/or Supervisor Painters, OLR and the union shall meet and confer regarding such program, including the wage rates to be paid for work performed during such program.

Nothing in this side-letter shall be construed to waive either parties' legal position in any future Comptroller's labor law section 220 hearing.

If this conforms to your understanding, please counter sign below.

Very truly yours,

Renee Campion

Agreed and Accepted on Behalf of Local 1969, Chil Service Employees, District Council 9 I.U.P.A.T BY:

> Joseph Azzopardi Business Manager/Secretary Treasurer



22 Cortlandt Street, New York, NY 10007 nyc.gov/olr

> Claire Levitt Deputy Commissioner Health Care Strategy

Georgette Gestely Director, Employee Benefits Program

Renee Campion Commissioner Daniel Pollak First Deputy Commissioner Nicole Andrade General Counsel

1 2.2024

Joseph Azzopardi Business Manager/Secretary Treasurer Local Union 1969, Civil Service Employees District Council 9, 1.U.P.A.T. 45 West 14<sup>th</sup> Street, 3<sup>rd</sup> Floor New York, New York 10011

# **Re: 2021-2026 Payroll Paper Pay Stubs Painter and Supervisor Painter**

Dear Mr. Azzopardi:

This is to confirm the understanding and agreement of the parties concerning payroll and paper pay stubs for the employees covered under the Painter and Supervisor Painter for the period June 25, 2021 through July 24, 2026.

Effective as soon as practicable, following ratification of this agreement, all employees of Mayoral agencies, the Department of Education, and the New York City Housing Authority who receive paychecks via direct deposit shall be opted out of receiving paper pay stubs. Employees may choose to opt-in and receive paper stubs via NYCAPS Employee Self-Service or the appropriate method at employers not on NYCAPS.

If the above accords with your understanding, please indicate your acceptance by signing below.

Very truly yours,

Renee Campion

Agreed and Accepted on Behalf of Local 1969, Civil Service Employees, District Council 9 I.U.P.A.T

BY: Joseph Azzopardi Business Manager/Secretary Treasurer



22 Cortlandt Street, New York, NY 10007 nyc.gov/olr

> Claire Levitt Deputy Commissioner Health Care Strategy

Georgette Gestely Director, Employee Benefits Program

Renee Campion Commissioner Daniel Pollak First Deputy Commissioner Nicole Andrade General Counsel

2024

Joseph Azzopardi Business Manager/Secretary Treasurer Local Union 1969, Civil Service Employees District Council 9, I.U.P.A.T. 45 West 14<sup>th</sup> Street, 3<sup>rd</sup> Floor New York, New York 10011

## Re: \$3,000 One-Time Lump Sum Ratification Bonus 2021-2026 Painter and Supervisor Painter

Dear Mr. Azzopardi:

This is to confirm the understanding and agreement of the parties concerning the lump sum cash payment for the employees covered under the Painter and Supervisor Painter Consent Determination for the period June 25, 2021 to July 24, 2026.

- i. A lump sum cash payment in the amount of \$3,000, pro-rated for other than full time employees, shall be payable as soon as practicable upon ratification of this Agreement to those bargaining unit members who were in active payroll status as of January 3, 2024, the date of ratification. Active payroll status is defined as being in active payroll status ("B Status"), military leave with pay ("K status"), or on paid family leave.
- ii. Employees who were terminated for cause, resigned, retired, or otherwise separated from service, for any other reason, prior to the date of ratification of this Agreement shall not be eligible for the lump sum cash payment.
- iii. In no event shall any employee receive greater than \$3,000 in bonus payments pursuant to this agreement.

- iv. The lump sum cash payment shall be pensionable, consistent with applicable law.
- v. The lump sum cash payment shall not become part of the employee's basic salary rate, nor will it be added to the employee's basic salary for the calculation of any salary-based benefits, including but not limited to the calculation of future collective bargaining increases.
- vi. For circumstances not covered by this agreement, the First Deputy Commissioner of Labor Relations may elect to issue, on a case-by-case basis, interpretations concerning the payment of the lump sum ratification bonus. Such interpretations shall not be subject to any dispute resolution procedures.

If the above accords with your understanding, please indicate your acceptance by signing below.

Very truly yours,

**Renee** Campion

Agreed and Accepted on Behalf of Local 1969, Civil Service Employees, District Council 9, U.P.A.T:

BY: Joseph Azopardi

Business Manager/Secretary Treasurer



22 Cortlandt Street, New York, NY 10007 nyc.gov/olr

> Claire Levitt Deputy Commissioner Health Care Strategy

Georgette Gestely Director, Employee Benefits Program

Renee Campion Commissioner Daniel Pollak First Deputy Commissioner Nicole Andrade General Counsel

L,2024

Joseph Azzopardi Business Manager/Secretary Treasurer Local Union 1969, Civil Service Employees District Council 9, I.U.P.A.T. 45 West 14<sup>th</sup> Street, 3<sup>rd</sup> Floor New York, New York 10011

#### **Re: NYCHA Alternative Work Schedules 2021-2026 Painter and Supervisor Painter**

Dear Mr. Azzopardi:

This is to confirm the understanding and agreement of the parties concerning alternate work schedules at the New York City Housing employees for employees covered under the Painter and Supervisor Painter Consent Determination for the period June 25, 2021 through July 24, 2026.

- 1. The New York City Housing Authority shall have the right to establish a pilot program with the following alternative work schedules ("AWS") for Painter and Supervisor Painter:
- a. Approximately 25% of Painters shall be assigned to work a shift from 8:00 a.m. to 5:15 p.m. four days a week, with every other Saturday included in the regular 35-hour workweek.

Scheduled Days: Week 1: Monday, Tuesday, Friday, Saturday Week 2: Monday, Wednesday, Thursday, Friday

Or

Week 1: Monday, Wednesday, Thursday, Friday Week 2: Monday, Tuesday, Friday, Saturday

2. Assignment of employees to AWS shall include the opportunity for employees (Painter and Supervisor Painter) to pick an AWS by seniority, pursuant to the following procedure:

- a. Employees will be placed on the AWS in seniority order, based on employee preference.
- b. In the event there are not sufficient employees to staff each shift, NYCHA will mandate incumbent Painters and Supervisor Painters in reverse seniority order. For these purposes, an employee promoted into a title after the date of execution of this MOU shall be considered a new hire.
- c. Where operationally necessary, NYCHA shall exclude certain positions from the pick, but prior to the pick that includes the AWS, NYCHA shall allow such employees to participate in the pick and make selections to transfer out of an excluded position, based on seniority, into an assignment subject to the pick to the extent operationally feasible.
- 3. The following terms shall apply to employees on alternative work schedules, consistent with the terms of the 2021-2026 Consent Determination:
  - a. Employees shall work 8 hours and 45 minutes per day, four days per week, compensated at the regular hourly rate of pay. This includes work performed on a Saturday. There is no change to the duration of meal periods. Hours actually worked in excess of the regularly scheduled 8 hour and 45-minute tour and overtime after thirty-five (35) hours shall be compensated at a rate of one and one-half (1.5x) the regular hourly rate. All time during which an employee is in full pay status, except hours worked after an 8 hour and 45-minute shift and paid for as premium overtime, are to be counted towards computing the thirty-five hours worked in the week for the purpose of earning overtime after thirty-five hours worked. The union shall execute a waiver of any claim to premium overtime pay for hours between 7 and 8:45 per day that may occur during a status quo period following the expiration of this agreement but prior to any subsequent agreement or Comptroller determination.
  - b. It is further agreed that for purposes of annuity fund contributions for represented employees, NYCHA will continue to regard a (35) hours work week, which is consolidated into a 4-day work week, as set forth above, as five (5) working days. Employees working a 4-day work week will receive credit for five (5) days of annuity fund contributions in accordance with the applicable annuity fund provision contained in the May 3, 2008 to November 24, 2017 Consent Determination dated July 7, 2016, as amended by Section 3 of this MOA.
  - c. Employees shall continue to accrue the same leave, in hours and minutes, as employees working traditional schedules. The employee must charge leave for the number of hours scheduled to work on the day the leave is taken.

- d. Holidays
  - i. For employees whose regular work day is scheduled for a holiday and the employee does not report to work on the holiday, NYCHA shall deduct one hour and forty-five minutes of leave from the employees annual leave balance in order for the employee to receive a full paycheck for that day. To the extent the employee works on that holiday, in addition to the above, they will be compensated pursuant to regular holiday payment rules in addition to their regular paycheck.
  - ii. If a holiday falls on an employee's regular day off, such employee shall have 7 hours of leave credited to his or her leave balance. To the extent the employee works on that holiday, they will be compensated pursuant to regular holiday payment rules in addition to their credited leave.
- 4. The pilot program will commence as soon as operationally practicable upon the ratification of this MOA and will initially run for a period of at least one year defined to be twelve months after the program is fully implemented and approximately 25% of the painters are assigned to the alternative work schedule. The parties agree to make best efforts to review the pilot program prior to its expiration to discuss and make any changes they mutually agree are necessary. At the conclusion of the initial one-year period, either party may terminate the pilot program and revert to the prior scheduling practice without further bargaining, upon thirty days' written notice. Absent written termination notice from the Union, NYCHA may extend the program beyond one year.

If the above accords with your understanding, kindly execute the signature line provided below.

Very truly yours,

Rag

Renee Campion

Agreed and Accepted on Behalf of Local 1969, Civil Service Employees, District Gouncil 9, 10.P.A.T.

BY: Joseph Azzopardi Business Manager/Secretary Treasurer

## IN THE EVENT OF ANY INCONSISTENCY BETWEEN APPENDIX A AND REQUIREMENTS IMPOSED BY FEDERAL, STATE, OR LOCAL LAW, SUCH AS THOSE THAT APPLY TO MATERNITY LEAVE, THE FEDERAL, STATE, OR LOCAL LAW SHALL TAKE PRECEDENCE UNLESS SUCH FEDERAL, STATE, OR LOCAL LAW AUTHORIZES SUCH INCONSISTENCY.

#### APPENDIX A

#### Time and Leave Benefits:

#### 1- ANNUAL LEAVE ALLOWANCE

#### Section 1

A combined vacation, personal business and religious holiday leave allowance, shall be established, which shall be known as "annual leave allowance".

#### Section 2 EFFECTIVE MAY 1, 1970

Annual leave allowance shall be granted to permanent employees who work at least a 250-day year, as follows:

CATEGORY	ANNUAL LEAVE ALLOWANCE	MONTHLY ACCRUAL
Employees who have completed 15 years of service.	27 Work Days (5 weeks and 2 days)	2 - 1/4 days
Employees who have completed 8 years of service.	25 Work Days (5 weeks)	2 days, plus 1 day at end of of vacation year.
All other employees	20 Work Days (4 weeks)	1 - 2/3 days

#### Section 3

There shall be a pro-rating of the above allowance for employees who work less than a 250-day year.

#### Section 4

For the earning of annual leave credits, the time recorded on the payroll at the full rate of pay, and the first six months of absence while receiving Workmen's Compensation payments shall be considered as time "served" by the employee.

In the calculation of annual leave credits, a full month's credit shall be given to an

employee who has been in full pay status for at least 15 calendar days during that month, provided however, that (a) where an employee has been absent without pay for an accumulated total of more than 30 calendar days in the vacation year, he shall lose the annual leave credits earnable in one month for each 30 days of such accumulated absence even though in full pay status for at least 15 calendar days in each month during this period; and (b) if an employee loses annual leave credits under this rule for several months in the vacation year because he has been in full pay status for fewer than 15 days in each month, but accumulates during said months a total of 30 or more calendar days in full pay status, he shall be credited with the annual leave credits earnable in 1 month for each 30 days of such full pay status.

#### Section 5

Calculation of annual leave credits for vacation purposes shall be based on a year beginning May 1st, hereafter known as a "vacation year." All annual leave allowance of an employee to the employee's credit on April 30th and not used in the succeeding vacation year may be carried over from said vacation year to the next succeeding vacation year only, with the approval of the agency head; and any such time not used within the prescribed period shall be added to the employee's sick leave balance.

a. All annual leave accumulations to the credit of employees on May 1, 1961, which exceed the allowance permitted in Article I, Section 5, shall remain to their credit but shall be reduced to the maximum set by the Leave Regulations by May 1, 1970. This shall be accomplished in the following manner:

(1) Any accumulations in excess of 40 days shall be established as an annual leave reserve bank, which shall be in existence until May 1, 1970.

(2) Any time left in the annual leave reserve bank on May 1, 1970 shall be transferred to the sick leave balances of employees. If any such transfer causes an employee's sick leave balance to rise above the 180-day maximum established by the Leave Regulations, the sick leave surplus which exceeds 180 days shall be placed in the employees sick leave bank and shall remain to his credit, notwithstanding the provisions of Article II, Sec. 2.

(3) After May 1, 1970, the full provisions of Article I, Section 5 apply.

b. In the event, however, that the Mayor or an elected official of any department calls upon an employee to forego his vacation or any part thereof in any year, that portion thereof shall be carried over as vacation even though the same exceeds the limits fixed in Article I, Sections 5 and 5 (a) above.

#### Section 6

The normal unit of charge against annual leave allowance for vacation and personal

business shall be one-half day. Smaller units of charge are authorized for time lost due to tardiness, religious observance, and for the time lost by employee representatives duly designated by employee organizations operating under the Mayor's Executive Order No. 38 dated May 16, 1957, engaged in the following types of union activity:

- a. Attendance at union meetings or conventions.
- b. Organizing and recruitment
- c. Solicitation of member.
- d. Collection of union dues.
- e. Distribution of union pamphlets, circulars and other literature.

The agency is authorized to make such other exceptions as warranted.

#### Section 7

Earned annual leave allowance shall be taken by the employees at the time convenient to the department. In exceptional and unusual circumstances, an agency head may permit use of annual leave allowance before it is earned, not exceeding two weeks.

#### Section 8

Where certification of eligible lists permits, provisional and temporary employees shall have the same annual leave benefits as regular employees except that they may not be permitted to use annual leave allowances for other than religious holidays until they have completed four months of service.

#### Section 9

Penalties for unexcused tardiness may be imposed by the head of each agency in conformance with established rules of the agency. As a minimum, however, all unexcused tardiness both in the morning and upon return from lunch shall be charged to the annual leave allowance.

#### Section 10

Terminal Leave shall be allowed to employees who work at least 250 days per year at the rate of one month for every ten years of service, (a) the rates of which are fixed in accordance with a Comptroller's determination made under Section 220 of the Labor Law of the State of New York, and (b) of service under the Career and Salary Plan Leave Regulations, prorated for a fractional part thereof.

If the employee so selects, and as an alternative to the above method of computation, his Terminal Leave allowance may be computed on the basis of one day of Terminal Leave for each two days of unused sick leave accumulation, to a maximum of one hundred (100) days Terminal Leave Allowance. Under the latter option, Terminal Leave shall be computed on the basis of work days, rather than calendar days.

#### II. SICK LEAVE ALLOWANCE

#### Section 1

Sick leave allowance of one day per month of service shall be credited to permanent employees, provisional employees and temporary employees and shall be used only for personal illness of the employee.

#### Section 2

Sick leave allowance shall be cumulative up to a maximum of 200 work-days. After this maximum is reached, no more sick leave credits may be earned by the employee except to the extent of restoring credits subsequently drawn for sick leave and thereby building up accruals again to the maximum of 200 work-days. Existing balances to the credit of employees at the time of adoption of these regulations shall remain to their credit.

#### Section 3

Sick leave may be granted at the discretion of the agency head and proof of disability must be provided by the employee, satisfactory to the agency head. Presentation of a physician's certificate in the prescribed form may be waived for absences up to and including three consecutive work days. In a case of a protracted disability, such certificate shall be presented to the agency head at the end of each month of continued absence.

#### Section 4

The normal unit for computation of sick leave shall be not less than one-half day. The agency head may authorize smaller units of charge in exceptional and unusual circumstances. Credits cannot be earned for the period an employee is on leave of absence without pay. For the earning of sick leave credits, the time recorded on the payroll at the full rate of pay, and the first six months of absence while receiving Workmen's Compensation payments shall be considered as time "served" by the employee.

In the calculation of sick leave credits, a full month's credit shall be given to an employee who has been in full pay status for at least 15 calendar days during that month, provided however, that (a) where an employee has been absent without pay for an accumulated total of more than 30 calendar days in the vacation year, he shall lose the sick leave credits earnable in one month for each 30 days of such accumulated absence even though in full pay status for at least 15 calendar days in each month during this period, and (b) if an employee loses sick leave credits under this rule for several months in the vacation year because he has been in full pay status for fewer than 15 days in each month, but accumulates during said months a total of 30 or more calendar days in full pay status, he shall be credited with the sick leave credits earnable in one month for each 30 days of such full pay status.

#### Section 5

In the discretion of the agency head, employees except provisional and temporary employees, who have exhausted all earned sick leave and annual leave balances due to personal illness may be permitted to use uncarned sick leave allowance up to the amount earnable in one year of service, chargeable against future earned sick leave.

#### Section 6

At the discretion of the agency head, permanent employees may also be granted sick leave with pay for three months after ten years of City Service, after all credits have been used. In special instances, sick leave with pay may be further extended, with the approval of the agency head. The agency head shall be guided in this matter by the nature and extent of illness and the length and character of service.

### HI. OTHER AUTHORIZED ABSENCES WITH PAY

#### Section 1

Absence of permanent employees, provisional employees and temporary employees for the reasons indicated below, shall be excusable in the discretion of the agency head without charge to sick leave or annual leave balances, upon submittal of evidence satisfactory to the agency head:

a. Absence not to exceed four work-days in the case of death in the immediate family. Family shall be defined for this purpose as spouse; natural, foster, step-parent, child, brother or sister; father-in-law or mother-in-law; or any relative residing in the household.

b. For Jury Duty. Leave for jury duty shall be granted to the employee provided that he endorses his check for jury duty to the City.

c. For Court Attendance Under Subpoena or Court Order. Leave to attend court shall be granted when neither the employee nor anyone related to him has a personal interest in the case, and where said attendance at court is not related to any other employment of the employee.

d. Absence required because of Health Department ruling with respect to quarantine.

e. For attendance at New York City Civil Service examination, or for official investigation interview or appointment interview in relation to the resulting eligible list.

f. For attendance of delegates and alternates at State or National conventions of veterans' organizations and volunteer firemen's organizations.

g. Absence by employee representatives, duly designated by employee organizations operating under the Mayor's Executive Order No. 38 dated May 16, 1957, acting on matters related to the interests of employees of their own respective departments, to negotiate with and appear before departmental and other City officials and agencies including the Board of Estimate, the City Council, and the Department of Personnel.

#### Section 2

Prior notice to and authorization by the agency head or his designated representative is required for absence under (b), (c), (e), (f), and (g) of Section 1 above. The employee shall give notice to the agency as soon as possible in all other cases.

#### Section 3

Agency heads shall grant any leave of absence with pay required by law.

#### IV LEAVES OF ABSENCE WITHOUT PAY

#### Section 1

Maternity Leave. Existence of pregnancy shall be reported by the employee, in writing, to the head of agency not later than the completion of the fourth month of pregnancy. Maternity leave of absence, commencing not later than the completion of the fifth month of pregnancy, shall be granted for a period of twelve months, and upon application of the employee, may be extended by the agency head for an additional period, not to exceed six months. Total leave for this purpose shall not exceed 18 months. An employee on maternity leave may be required to report for physical examination before resuming service.

#### Section 2

Leaves of absence without pay for reasons not covered in the foregoing rules may be granted to permanent employees by the agency head not to exceed one year. Extension of such leave may be granted by an agency head not to exceed an additional period of one year. Further extensions may be granted by an elected official, in an agency headed by such official, of by the City Personnel Director for agencies headed by appointed officials.

#### Section 3

Agencies shall grant any leave of absence without pay, such as military leave, required by law.

#### V. MISCELLANEOUS PROVISIONS

#### Section 1

Daily time records shall be maintained showing the actual hours worked by each employee.

#### Section 2

Upon transfer of a permanent employee, or appointment from an eligible list with continuous service in another City agency, sick leave and annual leave balances shall be transferred with the employee.

#### Section 3

Upon reinstatement of an employee to a permanent position, unused sick leave and vacation balance at the time of resignation or layoff, shall be restored to his credit.

#### Section 4

Subject to limitations of Art. I, Sec. 8 above, the annual leave allowance and the sick leave allowance herein granted shall be applicable to part-time employees on a pro-rated basis.

# VI. ABSENCE DUE TO INJURY INCURRED IN THE PERFORMANCE OF OFFICIAL DUTIES

#### Section 1

Whenever an employee, not covered by Workmen's Compensation, is physically disabled in the performance of his official duties, the head of the agency is empowered to grant such employee a leave of absence with pay not to exceed one calendar year. In such case the employee shall be required to execute an agreement, wherein it is stipulated that, in the event that such employee makes any claim or institutes any action against any party whatsoever in relation to such disability, reimbursement in the amount of such pay shall be made to the City or the agency concerned, as the case may be, from the proceeds of the recovery by such employee but not to exceed the amount of such proceeds. Such agreement shall be in a form and manner prescribed by the Corporation Counsel or other duly empowered counsel. The Agency head may have the injured employee examined by a physician employed by the City in order to determine the extent of the employee's disability and the approval of said physician from a medical viewpoint shall be required for the time granted with pay under this rule. The agency head may require periodic medical examinations of the disabled employee to ascertain the need for continued leave of absence with pay. Notwithstanding the provisions of Article I, Section 4 and Article II, Section 5 annual and sick leave shall accrue during the first six months only of such absence, and shall be credited upon the employee's return to duty.

#### Section 2

The agency head is empowered to grant leave of absence with pay for the first week's absence of an employee covered by Workmen's Compensation who is physically disabled in the performance of official duties.

#### Section 3

a. An employee physically disabled in the performance of his official duties who has accrued sick and/or annual leave or has been advanced credits in accordance with the Comptroller's Leave Regulations may elect one of the following, in addition to the benefits to which he is entitled under the Workmen's Compensation Law, such election to be made within the first seven calendar days of absence by the employee or someone in his behalf:

1. To receive the difference between the amount of his weekly salary and the compensation rate, provided that:

a. The injured employee or any authorized person acting in his behalf makes the request in writing, and

b. The injured employee or any authorized person acting in his behalf agrees that a pro-rated charge be made against his sick leave and/or annual leave balances equal to the number of working days of absence less the number of working days represented by the Workmen's Compensation payments, and

c. The injured employee has the necessary accrued sick leave and/or annual leave balance or has been advanced credits in accordance with the Comptroller's Leave Regulations which the supplementary pay can be charged, and

d. The injured employee was not guilty of willful gross disobedience of safety rules or willful failure to use a safety device, or was not under the influence of alcohol or narcotics at the time of injury, or did not willfully intend to bring about injury or death upon himself or another, and e. The injured employee undergoes such medical examinations as are requested by the Workmen's Compensation Division of the Law Department and his agency; and when found fit for duty by said physicians, returns to his employment.

2. To take annual leave and receive full pay and Workmen's Compensation medical coverage, provided that:

a. The injured employer or any authorized person acting in his behalf makes the request in writing, and

b. The injured employee or any authorized person acting in his behalf agrees to have his annual leave balance charged for such absence, and

c. The injured employee has the necessary accrued annual leave balance.

3. To receive Workmen's Compensation benefits in their entirety with no charge against sick leave and/or annual leave.

b. During the period when an injured employee is receiving Workmen's Compensation and the differential to bring him to full pay, he will be carried on full-pay status and this time shall be counted for retirement benefits.

## VII HOLIDAYS WITH PAY

#### Section 1

On the following effective dates prevailing rate per diem and per annum employees shall be entitled to a day off with pay for each of the following holidays:

New Year's Day Washington's Birthday Lincoln's Birthday Memorial Day Independence Day Labor Day Columbus Day Election Day Veteran's Day Thanksgiving Day Christmas Day

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THE CITY OF NEW YORK OFFICE OF LABOR RELATIONS 40 Rector Street, New York, NY 10006-1705

http://nyc.gov/olr

ROBERT W. LINN Commissioner

May 5, 2014

Harry Nespoli Chair, Municipal Labor Committee 125 Barclay Street New York, NY 10007

Dear Mr. Nespoli:

This is to confirm the parties' mutual understanding concerning the following issues:

1. Unless otherwise agreed to by the parties, the Welfare Fund contribution will remain constant for the length of the successor unit agreements, including the \$65 funded from the Stabilization Fund pursuant to the 2005 Health Benefits Agreement between the City of New York and the Municipal Labor Committee.

2. Effective July 1, 2014, the Stabilization Fund shall convey \$1 Billion to the City of New York to be used to support wage increases and other economic items for the current round of collective bargaining (for the period up to and including fiscal year 2018). Up to an additional total amount of \$150 million will be available over the four year period from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties. Thereafter, \$60 million per year will be available from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties.

3. If the parties decide to engage in a centralized purchase of Prescription Drugs, and savings and efficiencies are identified therefrom, there shall not be any reduction in welfare fund contributions.

4. There shall be a joint committee formed that will engage in a process to select an independent healthcare actuary, and any other mutually agreed upon additional outside expertise, to develop an accounting system to measure and calculate savings.

The MLC agrees to generate cumulative healthcare savings of \$3.4 billion over the 5. course of Fiscal Years 2015 through 2018, said savings to be exclusive of the monies referenced in Paragraph 2 above and generated in the individual fiscal years as follows: (i) \$400 million in Fiscal Year 2015; (ii) \$700 million in Fiscal Year 2016; (iii) \$1 billion in Fiscal Year 2017; (iv) \$1.3 billion in Fiscal Year 2018; and (v) for every fiscal year thereafter, the savings on a citywide basis in health care costs shall continue on a recurring basis. At the conclusion of Fiscal Year 2018, the parties shall calculate the savings realized during the prior four-year period. In the event that the MLC has generated more than \$3.4 billion in cumulative healthcare savings during the four-year period, as determined by the jointly selected healthcare actuary, up to the first \$365 million of such additional savings shall be credited proportionately to each union as a one-time lump sum pensionable bonus payment for its members. Should the union desire to use these funds for other purposes, the parties shall negotiate in good faith to attempt to agree on an appropriate alternative use. Any additional savings generated for the four-year period beyond the first \$365 million will be shared equally with the City and the MLC for the same purposes and subject to the same procedure as the first \$365 million. Additional savings beyond \$1.3 billion in FY 2018 that carry over into FY 2019 shall be subject to negotiations between the parties.

6. The following initiatives are among those that the MLC and the City could consider in their joint efforts to meet the aforementioned annual and four-year cumulative savings figures: minimum premium, self-insurance, dependent eligibility verification audits, the capping of the HIP HMO rate, the capping of the Senior Care rate, the equalization formula, marketing plans, Medicare Advantage, and the more effective delivery of health care.

#### Dispute Resolution

- a. In the event of any dispute under this agreement, the parties shall meet and confer in an attempt to resolve the dispute. If the parties cannot resolve the dispute, such dispute shall be referred to Arbitrator Martin F. Scheinman for resolution.
- b. Such dispute shall be resolved within 90 days.
- c. The arbitrator shall have the authority to impose interim relief that is consistent with the parties' intent.
- d. The arbitrator shall have the authority to meet with the parties at such times as the arbitrator determines is appropriate to enforce the terms of this agreement.
- e. If the parties are unable to agree on the independent health care actuary described above, the arbitrator shall select the impartial health care actuary to be retained by the parties.
- f. The parties shall share the costs for the arbitrator and the actuary the arbitrator selects.

If the above accords with your understanding and agreement, kindly execute the signature line provided.

Sincerely, 42.

Robert W. Linn Commissioner

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Agreed and Accepted on behalf of the Municipal Labor Committee

reoper BY: an Harry Nespoli, Chair



# **OFFICE OF LABOR RELATIONS**

40 Rector Street, New York, N.Y. 10006-1705 ayc.gov/olr

ROBERT W. LINN Commissioner RENEE CAMPION First Deputy Commissioner CLAIRE LEVITT Deputy Commissioner Health Care Cost Management MAYRA E. BELL General Counsel GEORGETTE GESTELY Director, Employee Benefits Program

June 28, 2018

Harry Nespoli, Chair Municipal Labor Committee 125 Barclay Street New York, New York

Dear Mr. Nespoli:

- 1. This is to confirm the parties' mutual understanding concerning the health care agreement for Fiscal Years 2019 2021:
  - a. The MLC agrees to generate cumulative healthcare savings of \$1.1 billion over the course of New York City Fiscal Years 2019 through 2021. Said savings shall be generated as follows:
    - i. \$200 million in Fiscal Year 2019;
    - ii. \$300 million in Fiscal Year 2020;
    - iii. \$600 million in Fiscal Year 2021, and
    - iv. For every fiscal year thereafter, the \$600 million per year savings on a citywide basis in healthcare costs shall continue on a recurring basis.
  - b. Savings will be measured against the projected FY 2019-FY 2022 City Financial Plan (adopted on June 15, 2018) which incorporates projected City health care cost increases of 7% in Fiscal Year ("FY") 2019, 6.5% in FY 2020 and 6% in FY 2021. Non-recurring savings may be transferrable within the years FY 2019 through FY 2021 pursuant only to 1(a)(i), 1(a)(ii), above. For example:
    - \$205 million in FY 2019 and \$295 million in FY 2020 will qualify for those years' savings targets under 1(a)(i) and 1(a)(ii).
    - ii. \$210 million in FY 2019, \$310 million in FY 2020, and \$580 million in FY 2021 will qualify for those years' savings targets under 1(a)(i), 1(a)(ii), 1(a)(iii).
    - iii. In any event, the \$600 million pursuant to 1(a)(iv) must be recurring and agreed to by the parties within FY 2021, and may not be borrowed from other years.

- c. Savings attributable to CBP programs will continue to be transferred to the City by offsetting the savings amounts documented by Empire Blue Cross and GHI against the equalization payments from the City to the Stabilization Fund for FY 19, FY 20 and FY 21, unless otherwise agreed to by the City and the MLC. In order for this offset to expire, any savings achieved in this manner must be replaced in order to meet the recurring obligation under 1(a)(iv) above.
- d. The parties agree that any savings within the period of FY 2015 2018 over \$3.4 billion arising from the 2014 City/MLC Health Agreement will be counted towards the FY 2019 goal. This is currently estimated at approximately \$131 million but will not be finalized until the full year of FY 2018 data is transmitted and analyzed by the City's and the MLC's actuaries.
- e. The parties agree that recurring savings over \$1.3 billion for FY 2018 arising under the 2014 City/MLC Health Agreement will be counted toward the goal for Fiscal Years 2019, 2020, 2021 and for purposes of the recurring obligation under 1(a)(iv) above. This is currently estimated at approximately \$40 million but will not be finalized until the full year of FY 2018 data is transmitted and analyzed by the City's and the MLC's actuaries. Once the amount is finalized, that amount shall be applied to Fiscal Years 2019, 2020, 2021 and to the obligation under 1(a)(iv).
- 2. After the conclusion of Fiscal Year 2021, the parties shall calculate the savings realized during the 3 year period. In the event that the MLC has generated more than \$600 million in recurring healthcare savings, as agreed upon by the City's and the MLC's actuaries, such additional savings shall be utilized as follows:
  - a. The first \$68 million will be used by the City to make a \$100 per member per year increase to welfare funds (actives and retirees) effective July 1, 2021. If a savings amount over \$600 million but less than \$668 million is achieved, the \$100 per member per year (actives and retirees) increase will be prorated.
  - b. Any savings thereafter shall be split equally between the City and the MLC and applied in a manner agreed to by the parties.
- 3. Beginning January 1, 2019, and continuing unless and until the parties agree otherwise, the parties shall authorize the quarterly provision of the following data to the City's and MLC's actuaries on an ongoing quarterly basis: (1) detailed claim-level health data from Emblem Health and Empire Blue Cross including detailed claim-level data for City employees covered under the GHI-CBP programs (including Senior Care and Behavioral Health information); and (2) utilization data under the HIP-HMO plan. Such data shall be provided within 60 days of the end of each quarterly period. The HIP-HMO utilization data will also be provided to the City's and MLC's actuaries within 60 days of the execution of this letter agreement for City Fiscal Year 2018 as baseline information to assess ongoing savings. The HIP-HMO data shall include: (i) utilization by procedure for site of service benefit changes; (ii) utilization by disease state, by procedure (for purposes of assessing Centers of Excellence); and (iii) member engagement data for the Wellness program, including stratifying members by three tranches (level I, II and II). The data shall include baseline data as well as data regarding the assumptions utilized in determining expected savings for comparison. The data described in this paragraph shall be provided pursuant to a data sharing agreement entered into by the City and MLC, akin to prior data agreements, which shall provide for the protection of member privacy and related concerns, shall cover all periods addressed by this Agreement (i.e., through June 30, 2021 and thereafter), and shall be executed within thirty days of the execution of this letter agreement.

- 4. The parties agree that the Welfare Funds will receive two \$100 per member one-time lump-sum payments (actives and retirees) funded by the Joint Stabilization Fund payable effective July 1, 2018 and July 1, 2019.
- 5. The parties recognize that despite extraordinary savings to health costs accomplished in the last round of negotiations through their efforts and the innovation of the MLC, and the further savings which shall be implemented as a result of this agreement, that the longer term sustainability of health care for workers and their families, requires further study, savings and efficiencies in the method of health care delivery. To that end, the parties will within 90 days establish a Tripartite Health Insurance Policy Committee of MLC and City members, chaired by one member each appointed by the MLC and the City, and Martin F. Scheinman, Esq. The Committee shall study the issues using appropriate data and recommend for implementation as soon as practicable during the term of this Agreement but no later than June 30, 2020, modifications to the way in which health care is currently provided or funded. Among the topics the Committee shall discuss:
  - a. Self-insurance and/or minimum premium arrangements for the HIP HMO plan.
  - b. Medicare Advantage- adoption of a Medicare Advantage benchmark plan for retirees
  - c. Consolidated Drug Purchasing- welfare funds, PICA and health plan prescription costs pooling their buying power and resources to purchase prescription drugs.
  - d. Comparability- investigation of other unionized settings regarding their methodology for delivering health benefits including the prospect of coordination/cooperation to increase purchasing power and to decrease administrative expenses.
  - e. Audits and Coordination of Benefits- audit insurers for claims and financial accuracy, coordination of benefits, pre-65 disabled Medicare utilization, End Stage Renal Disease, PICA, and Payroll Audit of Part Time Employees.
  - f. Other areas- Centers of Excellence for specific conditions; Hospital and provider tiering; Precertification Fees; Amendment of Medicare Part B reimbursement; Reduction of cost for Pre-Medicare retirees who have access to other coverage; Changes to the Senior Care rate; Changes to the equalization formula.
  - g. Potential RFPs for all medical and hospital benefits.
  - h. Status of the Stabilization Fund.

The Committee will make recommendations to be considered by the MLC and the City.

- 6. The joint committee shall be known as the Tripartite Health Insurance Policy Committee (THIPC) and shall be independent of the existing "Technical Committee." The "Technical Committee" will continue its work and will work in conjunction with the THIPC as designated above to address areas of health benefit changes. The Technical Committee will continue to be supported by separate actuaries for the City and the MLC. The City and the MLC will each be responsible for the costs of its actuary.
- 7. In the event of any dispute under sections 1-4 of this Agreement, the parties shall meet and confer in an attempt to resolve the dispute. If the parties cannot resolve the dispute, such dispute shall be referred to Martin Scheinman for resolution consistent with the dispute resolution terms of the 2014 City/MLC Health Agreement:
  - a. Such dispute shall be resolved within 90 days.

- b. The arbitrator shall have the authority to impose interim relief that is consistent with the parties' intent.
- c. The arbitrator shall have the authority to meet with the parties as such times as is appropriate to enforce the terms of this agreement.
- d. The parties shall share the costs for the arbitrator (including Committee meetings).

If the above conforms to your understanding, please countersign below.

Sincere イン ۲ Robert W. Linn

Agreed and Accepted on behalf of the Municipal Labor Committee

Nespoli, Chair