



## **Regional Bargaining Report # 67**

**Friday, April 29, 2016**

The Mid-Atlantic Bargaining committee met with the company at 3pm this afternoon. The Union responded to the Company's latest proposal rejecting parts of its comprehensive package. The Union advised the Company we would respond to its other proposals as soon as the information requested earlier today was provided.

The Union passed a comprehensive proposal addressing the issues our members need for job security and improved working conditions. In the majority of our bargaining units members hired after August of 2003 will continue to have limited job security unless we are successful in securing work that is now being contracted out.

This includes all call center work. Whether you are a technician or a consultant working in a call center, Verizon gives over half of your work to vendors outside of your bargaining unit. The Union has proposed this work be returned to the bargaining unit into the Sales, Service and Collection Centers. If the work was being done in the bargaining unit some of the centers where the Company wants to force members over 70 miles into mega centers would not be on the chopping block. Instead, there would be several thousand additional employees working throughout all of the centers.

The same goes for the tech centers, the FSC and EVRC. Better than half of the work that should be performed in these centers goes to contractors. If that work was brought back into the bargaining unit members would not be at risk of being surplus every other quarter.

Outside Plant Technicians do not escape Verizon's penchant for cheap, low quality contractor labor either. Over \$480 million dollars was paid to contractors performing outside plant work in the Potomac area alone during the years 2013, 2014 and 2015. Again, unless some of this work is secured for the bargaining unit fewer and fewer members will have any type of job security.

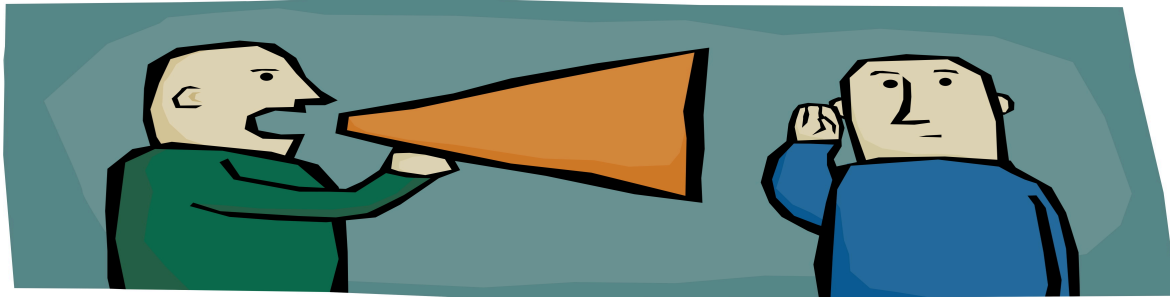
Regarding improved working conditions, excessive overtime and excessive monitoring (including Electronic Recording of Calls and Global Position System Tracking) must be addressed at Verizon. The Union explained the concerns members have communicated about the excessive discipline, increased stress and overall unhealthy work environments. The Company has refused to engage in any conversation or discussion to develop and implement any corrective measures to monitoring or overtime.

Your bargaining committee has attempted to work with the company on the issues it claims are important to reaching an agreement. We have made proposals that would provide significant savings in healthcare to the Company without destroying the plan designs our members have worked hard to obtain. Then instead of working with us on our needs the company returned after approx. 40 minutes and rejected our comprehensive proposal. This company is hell-bent on intimidating workers with its announcement of a last best offer.

The company rejected the Union's proposal without countering or engaging in any type of constructive dialogue. The actions by the Company are a display of arrogance and contempt for their own employees. The Union has attempted to protect the quality of life for current members and ensure opportunities for Americans who don't want to move to the Philippines to find a job. The idea of negotiating is still something that the company is unfamiliar with. There are 50,000 lives that are affected by this company's refusal to be reasonable and find a way to resolve the issues facing both sides.

Verizon claims in newspaper ads that a better offer would be hard to find. We gave them one and they said no! The Strike remains in full force. Your bargaining team remains available to meet with the Company to hammer out a fair agreement.

The Company sent members a summary of its last, best proposal. Members should know that the devil is in the details. The following summary provides a few details missing from Verizon's summary.



### **WAGES:**

**WHAT THEY SAY:** YOU WILL RECEIVE A 7.5% INCREASE OVER THE TERM OF THE CONTRACT.

**WHAT THEY MEAN:** THE 7.5% IS TO ENTICE YOU TO LOOK NO FURTHER AT THEIR OFFER. IF YOU DO YOU WILL FIND 7.5% WILL BE EATEN UP BY PAYING MORE FOR PRESCRIPTIONS; CO-PAYS; DEDUCTIBLES AND PREMIUMS. YOUR GAS COST WILL INCREASE DUE TO TRAVEL THAT WILL INCREASE ABOVE YOUR CURRENT COMMUTE. WHAT THE COMPANY WANTS YOU TO BELIEVE YOU WILL PUT IN ONE POCKET, THEY ARE TAKING OUT OF THE OTHER.

### **JOB SECURITY:**

**WHAT THEY SAY:** IF WE AGREE ON 3 WORKFORCE FLEXIBILITY PROPOSALS AND YOU HAVE JOB SECURITY TODAY YOU WILL CONTINUE TO HAVE JOB SECURITY FOR THE TERM OF THE CONTRACT.

**WHAT THEY MEAN:** THIS PROPOSAL IS A PATH TO ELIMINATE ALL OF US. THESE 3 WORKFORCE FLEXIBILITY PROPOSALS MEAN 1). WE AGREE TO SELL OUT OUR MEMBERS HIRED PRIOR TO AUGUST 2003 AND ALLOW THEM TO BE TRANSFERRED AN ADDITIONAL 50 MILES-FROM THE COMMUTE THEY HAVE NOW AND 2). IF WE AGREE TO CLOSE 11 OFFICES AND FORCE 123 MEMBERS TO DRIVE UP TO AN ADDITIONAL 70 MILES ONE WAY 3). DIRECT A SPECIAL INCENTIVE OFFER TO JOBS THEY CONTRACT OUT WITH NO GUARANTEES OF BACKFILLING THOSE JOBS WITH INTERNAL OR EXTERNAL HIRES. THEN AND ONLY THEN CAN WE HAVE JOB SECURITY AND ONLY FOR SOME.

### **PENSION:**

**WHAT THEY SAY:** YOU WILL RECEIVE CREDIT UP TO 30 YEARS. YOU WILL RECEIVE THREE 1% INCREASES. YOU WILL NOT EARN CREDIT BEYOND 30 YEARS. THE MORTALITY TABLE IS LOCKED IN.

**WHAT THEY MEAN:** SIMPLY PUT, VERIZON WANTS TO FREEZE THE PENSION PLAN FOR ELIGIBLE ASSOCIATES AT 30 YEARS. THOSE CWA MEMBERS WHO HAVE ALREADY REACHED 30 YEARS OR MORE WILL NO LONGER ACCRUE SERVICE CREDIT FOR ANY ADDITIONAL YEARS WORKED. THEY ARE ALSO PROPOSING TO MODIFY THE CASH OUT OPTION. THE CALCULATION METHOD PROPOSED WILL SIGNIFICANTLY REDUCE YOUR LUMP SUM CASH OUT IF YOU ELECT THAT OPTION UPON RETIREMENT. THE 1% ANNUAL INCREASE WILL EFFECTIVELY BE NEGATED BY THIS NEW CALCULATION.

THE LINES - WHAT DOES THE COMPANY'S OFFER MEAN:

### **STATE AND LOCAL LEAVE LAWS:**

**WHAT THEY SAY:** ASSOCIATES ELIGIBLE FOR TIME OFF UNDER STATE AND PAID LEAVE LAWS WOULD USE EXISTING PAID TIME OFF IN A SPECIFIED ORDER.

**WHAT THEY MEAN:** MOST LAWS PROVIDE FOR MORE TIME OFF WHICH THE COMPANY IS NOT AGREEING TO GIVE. THEY ARE TRYING TO REWRITE OUR CONTRACT TO CARE FOR NON-EXISTENT LEGISLATION. THEY WILL FORCE YOU TO USE DAYS THAT GIVE YOU MORE FLEXIBILITY FOR YOUR OWN TIME OFF FIRST.

### **RETIREE BENEFITS:**

**WHAT THEY SAY:** 3 CATEGORIES FOR NEW HIRES; PRE-RETIREEES AND MEDICARE ELIGIBLE. FOR NEW HIRES-NO CONTRIBUTIONS TOWARD RETIREE MEDICAL OR DENTAL-WILL BE REQUIRED TO PAY FULL COST OF COVERAGE. PRE-MEDICARE RETIREEES-GET SAME CHANGES TO PLAN DESIGN AS ACTIVE MEMBERS. MEDICARE RETIREEES WOULD BE PLACED IN THE MEDICARE ADVANTAGE.

**WHAT THEY MEAN:** FOR FUTURE RETIREE HEALTHCARE BENEFITS-THIS CAN BE BROKEN DOWN INTO 2 VERY DIFFERENT PARTS. ONE ASPECT IS NEW HIRES FROM THE EFFECTIVE DATE OF THIS CONTRACT WILL RECEIVE NOTHING TOWARD RETIREMENT HEALTHCARE. IF THEY

HAVE THE OPPORTUNITY TO WORK A FULL THIRTY YEARS WITH VERIZON, THEY WILL HAVE NOTHING TO ASSIST THEM WITH HEALTHCARE IN RETIREMENT.

FOR RETIREES - THIS PLAN WILL INTRODUCE AND/OR INCREASE DEDUCTIBLES TO ALL RETIREES. ALSO THE COMPANY WILL HAVE THE SOLE AUTHORITY TO DETERMINE ANY ADMINISTRATIVE DETAILS OF THE PLAN WITH NO SAY SO BY THE UNIONS. IF THE COMPANY DECIDES THE PLAN BECOMES TOO EXPENSIVE THEY HAVE THE SOLE DISCRETION TO CHANGE THE PLAN TO ONE OF THE COMPANY SPONSORED MEDICAL PLANS. IT ALSO INTRODUCES A FORMULARY INTO THE PRESCRIPTION PLAN, MEANING THE COMPANY WILL DECIDE IF THE DRUG IS THE BEST ONE FOR YOU BASED ON COST, NOT ON DOCTOR RECOMMENDATION.

#### **DISABILITY:**

WHAT THEY SAY: AFTER A DEFINED PERIOD OF TIME RECEIPT OF DISABILITY BENEFITS IS CONDITIONED ON THE EMPLOYEE SEEING A PHYSICIAN.

WHAT THEY MEAN: THE COMPANY WANTS TO CONTROL WHO YOU SEE FOR YOUR ILLNESS. WHETHER YOU HAVE A MENTAL HEALTH OR MUSCULOSKELETAL ISSUE, THE TYPE OF DOCTOR YOU SEE IS DETERMINED BY THE AMOUNT OF TIME YOU MISS. IF YOU HAVE MULTIPLE HEALTH ISSUES YOU'LL HAVE TO SET-UP A DIFFERENT TREATMENT PLAN FOR EACH ONE. THE IDEA OF YOUR DOCTOR TREATING YOU FROM INITIAL DIAGNOSIS UNTIL RECOVERY IS NOT THE MAIN FOCUS OF THE COMPANY'S PROPOSAL. WE ALREADY HAVE A PROCESS TO DEAL WITH THIS ISSUE. IT IS CALLED AN IME AND THE COMPANY PAYS FOR THE IME. REQUIRING YOU TO SEE A SPECIALIST INTERFERES WITH YOUR CARE AND IS AN ADDED COST TO YOU.

#### **CORPORATE PROFIT SHARING (CPS):**

WHAT THEY SAY: THERE WILL BE A CPS FOR 2017 PAYABLE IN 2018.

WHAT THEY MEAN: THE UNION'S PROPOSAL MAINTAINS CORPORATE PROFIT SHARING(CPS) FOR 2016, 2017 AND 2018; SIMILAR TO OUR LAST CONTRACT. ALL THREE YEARS OF THE CONTRACT NOT JUST THE ONE THE COMPANY IS PROPOSING.

#### **LEGAL RELEASE FOR INCENTIVE OFFERS:**

WHAT THEY SAY: EACH ASSOCIATE WHO TAKES A VOLUNTARY INCENTIVE OFFER WILL BE REQUIRED TO SIGN A LEGAL RELEASE WAIVING CERTAIN CLAIMS AGAINST THE COMPANY AND THE UNION.

WHAT THEY MEAN: LOCAL, STATE AND FEDERAL LAWS ARE PASSED TO OFFER PROTECTIONS TO WORKERS AND THE ABILITY TO SEEK COMPENSATION IF A WORKER IS TREATED UNFAIRLY UNDER THIS LAW; AN EXAMPLE OF THIS IS WORKMEN'S COMPENSATION FOR WORKERS INJURED ON THE JOB. THE UNION HAS CONCERNS THAT THIS "RELEASE" COULD ALLOW WORKERS DUE SOME TYPE OF COMPENSATION OR RELIEF TO BE UNFAIRLY DENIED.

#### **INDEPENDENT MEDICAL EXAMINATIONS:**

WHAT THEY SAY: AFTER HCOC REVIEWS THE COMPANY MAY SELECT IME VENDORS.

WHAT THEY MEAN: THE COMPANY REACHED A TENTATIVE AGREEMENT ON THE HEALTH CARE OVERSIGHT COMMITTEE (HCOC) WHICH IS RESPONSIBLE FOR THE REVIEW AND SELECTION OF IME VENDORS. NOW THE COMPANY WANTS TO HAVE TOTAL CONTROL OVER THE

SELECTION OF THE VENDOR AND PROVIDE A RESTRICTED PERIOD OF TIME FOR REVIEW BY THE HCOC. THIS IS AN EXAMPLE OF FIXING SOMETHING THAT IS NOT BROKEN.

### **EVALUATIVE OBSERVATIONS AND ELECTRONIC RECORDING OF CALLS:**

**WHAT THEY SAY:** IN THE SALES/SERVICE CENTERS ELIMINATE REQUIREMENTS TO GIVE ADVANCE NOTICE AND EXTEND THE TIME FOR FEEDBACK TO 2 BUSINESS DAYS AND ALLOW EVALUATIVE OBSERVATIONS TO BE CONDUCTED AT ANY TIME.

**WHAT THEY MEAN:** THE COMPANY ALREADY RECORDS 100% OF ALL CALLS. THESE PROPOSALS WOULD ALLOW THE COMPANY MORE TIME TO LISTEN TO CALLS, LESS TIME FOR COACHING AND DEVELOPMENT WHICH EQUATES TO MORE STRESS AND DISCIPLINE.

### **INCLEMENT WEATHER:**

**WHAT THEY SAY:** IN NEW JERSEY ELIMINATE THE POLICY AND AGREEMENTS.

**WHAT THEY MEAN:** THE COMPANY WANTS TO TAKE AWAY ATTENDANCE OPTIONS THAT MEMBERS CURRENTLY HAVE WHEN THERE IS INCLEMENT WEATHER CONDITIONS.

### **TEMPORARY ASSIGNMENT IN ANOTHER STATE:**

**WHAT THEY SAY:** TECHNICIAN CAN BE TEMPORARILY ASSIGNED OUT OF STATE FOR UP TO 60 DAYS. EACH STATE CAN HAVE TECHNICIANS TRANSFERRED IN FOR UP TO 120 DAYS.

**WHAT THEY MEAN:** THIS WILL BE WITHDRAWN IF CBA IS RATIFIED BY MAY 20, SO IT MUST NOT BE CRITICAL TO THE COMPANY. THIS TYPE OF PROPOSAL SHOULD NOT BE PART OF BARGAINING AT THIS LATE STAGE. "INVOLUNTARILY ASSIGNED" MEANS FORCED. THE COMPANY WANTS TO FORCE YOU, TO ANY STATE AT THEIR DISCRETION, TO WORK AND THEN HAVE YOU TRAVEL BACK TO YOUR HOME REPORTING LOCATION DAILY. THIS WILL BE DONE 60 DAYS PER YEAR ALWAYS AT THE COMPANY'S PREFERENCE.

### **CALL ROUTING:**

**WHAT THEY SAY:** CURRENT CALL ROUTING WITH 2 CHANGES. 1). A CALL CAN BE ROUTED DIRECTLY TO NYNE OR MID-ATLANTIC REGARDLESS OF WHERE THE CALL ORIGINATES 2). IF NO ASSOCIATE AVAILABLE BEFORE ROUTING TO CONTRACTOR COMPANY CAN CHOOSE TO ROUTE SALES/SERVICE CALL TO ASSOCIATE IN NON-LIKE FUNCTION CENTER. IN SALES/SERVICE HANDLES LESS THAN 53% IN ANY 6 MONTHS NO LAYOFF FOR 6 MONTHS. IN TECH SUPPORT HANDLE LESS THAN 53% IN ANY 6 MONTHS NO LAYOFFS FOR 6 MONTHS. HIRE AT LEAST 400 NEW HIRES INTO SALES/SERVICE AND TECH SUPPORT IN LOCATED MID-ATLANTIC.

**WHAT THEY MEAN:** VERIZON'S PROPOSAL ON "ENHANCED" FLEXIBILITY IN CALL ROUTING IS JUST A SHELL GAME IN DISGUISE FOR ROUTING EVEN MORE CALLS TO CONTRACTORS AND OVERSEAS CALL CENTERS. EXPORTING OUR WORK AND GOOD MIDDLE CLASS JOBS IS CLEVERLY CAMOUFLAGED WITH THE PROMISE TO HIRE 400 NEW HIRES IF WE AGREE TO ALLOW THEM TO CONTINUE CONTRACTING OUT NEARLY 50% OF ALL CALL VOLUMES WITH NO GUARANTEE TO MAINTAIN ANY STAFFING PERCENTAGE. CURRENTLY VERIZON EMPLOYS ABOUT 5000 ASSOCIATES IN FOREIGN CALL CENTERS AND THIS CURRENT PROPOSAL PROVIDES A FAST-TRACK FOR ADDITIONAL WORK TO BE EXPORTED AS WELL. DATA PROVIDED BY VERIZON INDICATES ITS OWN CALL CENTERS ARE UNDERSTAFFED BY MORE THAN 650 JOBS IN MID-ATLANTIC ALONE.

**INBOUND DEMAND CENTER (IDC) CALL SHARING:**

**WHAT THEY SAY:** THIS PROPOSAL IS TIED TO UNION AGREEING TO COMPANY'S CALL SHARE PROPOSAL AS IT

**WHAT THEY MEAN:** THE UNION ALSO HAS A PROPOSAL ON IDC CALL SHARING. OUR PROPOSAL INCLUDES GUARANTEES THAT THE EXISTING CENTER WOULD REMAIN AND ANY WORK THAT VERIZON HAS TRANSITIONED TO VZB FOR MEDIUM BUSINESS WOULD RETURN TO THE BARGAINING UNIT.

**TUITION ASSISTANCE:**

**WHAT THEY SAY:** COURSES ELIGIBLE FOR REIMBURSEMENT MUST RELATE TO A CAREER WITHIN THE COMPANY. CERTAIN SPECIFIED COURSES ARE EXCLUDED FROM REIMBURSEMENT.

**WHAT THEY MEAN:** THE COMPANY WANTS TO COVER ONLY COURSES THAT APPLY TO JOBS WITHIN THE COMPANY. TUITION ASSISTANCE WAS NEGOTIATED TO ALLOW INDIVIDUALS TO IMPROVE JOB RELATED SKILLS AS WELL AS PERSONAL GROWTH. THIS PLAN WAS NEGOTIATED YEARS AGO TO OFFER A PATH FOR MEMBERS TO MOVE TO OTHER CAREERS, BOTH IN AND OUT OF THE TELECOMMUNICATIONS INDUSTRY. IT WAS NEVER MEANT TO BE A REPLACEMENT FOR THE COMPANY JOB TRAINING.

**HEALTHCARE:**

**WHAT THEY MEAN:**

MANAGED CARE NETWORK (MCN)

	<u>CURRENT</u>	<u>2018</u>
DEDUCTIBLE	\$0	\$325
OUT OF POCKET	\$1050	\$1700
EMERGENCY	\$75	\$120

ANNUAL CONTRIBUTIONS

	<u>CURRENT</u>	<u>2018</u>
INDIVIDUAL	\$660	\$1224
FAMILY	\$1320	\$2448

ANNUAL CONTRIBUTIONS HMO AND EPO

	<u>CURRENT</u>	<u>2018</u>
INDIVIDUAL	\$990	\$1836
FAMILY	\$1980	\$3672

**PRESCRIPTIONS**

TODAY WE HAVE AN OPEN FORMULARY, MEANING THE PLAN COVERS MEDICATIONS YOUR DOCTORS DEEM NECESSARY. THE COMPANY PROPOSES A CLOSED FORMULARY, MEANING THE PLAN WILL ONLY PROVIDE MEDICATIONS THE INSURANCE COMPANY DEEMS NECESSARY BASED ON COSTS FOR ANY PARTICULAR CONDITION. IN ADDITION, THE COMPANY PROPOSES TIERING DRUG CO-PAYS ON DRUGS THAT ARE PREFERRED AND NON-PREFERRED. BELOW ARE THE CO-PAYS TODAY AND THE COMPANY PROPOSAL FOR 2018.

<u>Retail</u>	<u>Mail Order</u>			
<u>Today</u>	<u>2018</u>	<u>Today</u>	<u>2018</u>	
<u>Generic</u>	<u>\$9</u>	<u>\$10.60</u>	<u>\$18</u>	<u>\$21.60</u>
<u>Preferred brand</u>	<u>\$28.09</u>	<u>\$34.99</u>	<u>\$56.18</u>	<u>\$69.98</u>
<u>Non-Preferred Brand</u>	<u>\$28.09</u>	<u>\$58.32</u>	<u>\$56.18</u>	<u>\$116.64</u>