



New York State
**PUBLIC EMPLOYEES
FEDERATION AFL-CIO**

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TRUSTEES:

Gail Noble
Adam Sumlin
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October 17, 2011

Dear PEF Member:

Attached is important information regarding the revised agreement you will be voting on. Please note that the voting period has been shortened in order to prevent layoffs should the contract be ratified.

By rejecting the last tentative agreement our members sent a strong message to the governor that the contract was not acceptable and allowed us to negotiate a contract that more closely matches the needs of our members.

The revised agreement balances the needs of all of our members, directly addresses three of the major concerns our members identified, job security protections, furloughs, the length of the agreement, and reduces the impact of the fourth, health insurance costs, however, one of the most important achievements of this agreement is that if ratified by our membership it will preserve the jobs of 3,496 PEF members who are facing layoffs.

- **Job Security** – The agreement more clearly defines the intent of the existing language in the tentative agreement and covers the entire term of the agreement. It incorporates a side letter into the agreement that clearly spells out the existing protections.
- **Furloughs** – While the contract still contains nine days of "deficit reduction" leave, the new contract converted furlough days into days of deferred pay. This means that over the term of the agreement our members will face no loss in wages associated with the furloughs. Additionally, since the deficit reduction leave is a wage deferral, there is no affect on final average salary for purposes of retirement. To get complete restitution for furlough days, the contract exchanged the lump sum payment. An average member comes out \$600 ahead of the \$1,000 lump sum payment under the new terms.
- **Length of Agreement** – Many of our members identified the five year term of the agreement as too long. By dropping the last year of the agreement, We now have the opportunity to negotiate the next agreement in an economic environment that may be significantly better than the current one. Additionally, it removes PEF from the same negotiating cycle as CSEA, reducing the possibility of being forced into a contract pattern that does not meet the needs of our members.
- **Health Insurance** – Unfortunately, the state refused to make improvements on health insurance premiums. However, to help mitigate the impact, PEF negotiated more flexibility in the Productivity Enhancement Program (PEP) as well as changes so that vacation accruals will more closely reflect their actual cash value when used to offset the employees' share of health insurance costs.

Throughout these negotiations we have all been portrayed in the media in less than flattering terms. Ratification of this revised agreement will show what PEF members already know: that we are willing to sacrifice to preserve the jobs of 3,496 of our co-workers and to maintain vital services we provide to the taxpayers.

I strongly urge you to vote "Yes" to this agreement.

In Solidarity,

President

NOTE: Expedited Timetable for Contract Vote

The right to vote on the tentative PS&T Agreement with the State is guaranteed to PEF members in the PEF Constitution. Balloting by PEF members on the tentative agreement, which was approved by a special meeting of the union's Executive Board meeting, held on October 17, 2011, will be conducted according to the following schedule:

1. Ballots will be mailed to PEF members in the State's PS&T unit by the American Arbitration Association (AAA) October 18, 2011. Only State or Roswell Park employees in the PS&T Unit who are dues-paying PEF members as of October 16, 2011 are eligible to vote.
2. Ballots must be received by the AAA on or before 9 a.m. November 3, 2011. Received means in hand, not just mailed or postmarked by November 3, 2011.
3. A double-envelope system will be used for balloting as required by the AAA to ensure secrecy. PEF will follow all procedures required or recommend by AAA for balloting.
4. Any PEF member in the PS&T unit who has not received a ballot by October 26, 2011 should call the AAA hotline at (800) 529-5218 to request a ballot or replacement ballot.
5. Ballots will be counted by the AAA on November 3, 2011.

~~2007-2011~~ 2011-2015
**PROFESSIONAL, SCIENTIFIC
AND
TECHNICAL SERVICES UNIT
AGREEMENT**

*ALL CONTRACT ARTICLES NOT SPECIFICALLY REFERENCED HERE CONTINUE AS PREVIOUSLY PRINTED
IN THE COMMUNICATOR SPECIAL EDITION ON THE 2011-2016 TENTATIVE AGREEMENT.
CHANGES NOTED AND PAGE NUMBERS INDICATED REFERENCE BACK TO
TEXT AND PAGE NUMBERS IN THE COMMUNICATOR SPECIAL EDITION.*

**ARTICLE 7
COMPENSATION**

Section 7.1 - Retention (Lump Sum) Payment, p. 25 – deleted in its entirety

Section 7.4 - 2015-2016 Salary Increase, p. 25 – deleted in its entirety consistent with the four year term of the Tentative Agreement

Section 7.5 - 2015-2016 Salary Schedule, p. 25 – deleted in its entirety consistent with the four year term of the Tentative Agreement

Section 7.7 - Applicability to Hourly, Part-time and Per Diem Employees, p. 26 – revised to delete new language addressing pro-rating the Retention (Lump Sum) Payment.

Subsection 7.9(e) – 2015-2016 (performance award), p. 27 – deleted in its entirety consistent with the four year term of the Tentative Agreement

Subsection 7.9 (f) – 2015-2016 (performance award), p. 27 – revised to delete the new fifth paragraph of the subsection in its entirety consistent with the four year term of the Tentative Agreement.

The balance of Article 7 continues as previously printed in the Communicator Special Edition on the 2011-2016 Tentative Agreement except for renumbering at necessary to adjust for Section and Subsection deletions.

**ARTICLE 9
HEALTH INSURANCE**

Subsection 9.13(c) – revised to change the effective date from October 1, 2011 to December 1, 2011 for implementation of the new actuarial tables for calculating the sick leave credit for retiree health insurance. The balance of Section 9.13 continues as previously printed on p.37 of the Communicator Special Edition.

Subsection 9.16(n) – revised to delete the fifth year of funding consistent with the new four year term and reduce appropriations to the Joint Committee on Health Benefits as negotiated. The new appropriation amounts will be: \$500,000 for FY 2011-12 and \$510,000 for FY 2014-2015. The balance of Section 9.16(n) continues as previously printed on p.37 of the Communicator Special Edition.

Section 9.22 – revised to change the effective date from October 1, 2011 to December 1, 2011 for implementation of the previously negotiated prescription drug copay increases. The balance of Section 9.22 continues as previously printed on pp. 40-41 of the Communicator Special Edition.

The balance of Article 9 continues as previously printed on pp. 30-42 of the Communicator Special Edition.

**ARTICLE 10
EMPLOYEE ASSISTANCE PROGRAM/WORK-LIFE SERVICES**

Section 10.1 – revised to delete the fifth year of funding consistent with the new four year term. The balance of Article 10 continues as previously printed on p.42 of the Communicator Special Edition.

**ARTICLE 14
PROFESSIONAL DEVELOPMENT AND QUALITY OF WORKING LIFE
COORDINATING COMMITTEE**

Section 14.4 – revised to delete the fifth year of funding consistent with the new four year term.
The balance of Article 14 continues as previously printed on p 47 of the Communicator Special Edition.

**ARTICLE 15
PROFESSIONAL DEVELOPMENT COMMITTEE**

Sections 15.3, 15.4, 15.5 and 15.6 – each revised to delete the fifth year of funding consistent with the new four year term. Sections 15.3 and 15.6 revised to reduce appropriations to the committee as negotiated. The new appropriation amounts will be:

- 15.3 - \$2,879,200 for FY 2011-2012, \$1,129,200 for FY 2012-2013, \$1,129,200 for FY 2013-2014 and \$1,241,784 for FY 2014-2015 to fund the Public Service Training Program.
- 15.6 - \$500,000 for Fiscal Year 2012-2013, \$500,000 for Fiscal Year 2013-2014 and \$510,000 for Fiscal Year 2014-2015 to fund Professional Development Initiatives for Nurses.

The balance of Article 15 continues as previously printed on p 47-48 of the Communicator Special Edition.

**ARTICLE 18
HEALTH AND SAFETY**

Section 18.12 – revised to delete the fifth year of funding consistent with the new four year term.
The balance of Article 18 continues as previously printed on pp. 50-51 of the Communicator Special Edition.

**ARTICLE 21
DEFICIT REDUCTION LEAVE/WORKFORCE REDUCTION LIMITATION**

Article 21.1 – Deficit Reduction Leave is amended as follows:

- (a) **Fiscal Year 2011-2012. Commencing with the administrative payroll paycheck dated November 23, 2011, and the institutional payroll paycheck dated November 17, 2011, employees will have their total compensation, less overtime earnings, reduced by 4.198%. This reduction will occur for ten (10) consecutive payroll periods and end with the administrative paycheck dated March 28, 2012 and the institutional paycheck dated March 22, 2012.**

(b) Fiscal Year 2012-2013. Commencing with the administrative payroll paycheck dated April 11, 2012 and with the institution payroll paycheck dated April 5, 2012, employees will have their total compensation, less overtime earnings, reduced by 1.847%. This reduction shall occur for twenty-six (26) consecutive pay periods and end with the administrative paycheck dated March 27, 2013 and the institutional paycheck dated March 21, 2013.

(c) Upon ratification, employees will be credited with nine days of deficit reduction leave. Upon the request of the employee and subject to supervisory approval, appointing authorities shall allow each employee to take nine days off without charge to existing accruals before March 31, 2013. To the extent that multiple conflicting requests to use deficit reduction leave are made, time off shall be granted in order of seniority. Subject to supervisory approval, there shall be no restriction on using deficit reduction leave consecutively and/or in conjunction with annual leave, sick leave or other personal leave.

(d) Beginning with the pay period that includes April 1, 2015, employees whose total compensation, less overtime earnings, was reduced pursuant to 21.1(a) and (b) shall begin to be repaid for the value of the nine (9) day reduction. Commencing with this payroll period, employees shall receive payment in equal amounts over 39 payroll periods until the reduction has been repaid. Employees who separate from service prior to the full repayment of the nine (9) days shall be paid the balance of money owed at the time of their separation.

(e) Institution Teachers. Notwithstanding that the payroll reduction will be charged on a fiscal year basis, employees working on a 10-month school calendar will be permitted to use the nine days deficit reduction leave at any time during the remaining 2011-12 academic year and/or the 2012-13 academic year.

Article 21.2 – Workforce Reduction Limitation - continues as previously printed on p. 52 of the Communicator Special Edition.

ARTICLE 27 REIMBURSEMENT FOR PROPERTY DAMAGE

Section 27.2 – revised to delete the fifth year of funding consistent with the new four year term.
The balance of Article 27 continues as previously printed on p.55 of the Communicator Special Edition.

ARTICLE 42 FAMILY BENEFITS PROGRAM /WORK-LIFE SERVICES

Section 42.8 – revised to delete the fifth year of funding consistent with the new four year term. The balance of Article 42 continues as previously printed on p.66 of the Communicator Special Edition.

ARTICLE 49 DURATION OF AGREEMENT

Revised to reflect the following term for the Tentative Agreement: April 2, 2011 through April 1, 2015
The balance of Article 49 continues as previously printed on p. 67 of the Communicator Special Edition.

APPENDIX I – SALARY SCHEDULES

The first two salary schedules which appear on p. 68 of the Communicator Special Edition will continue without change.
The third salary schedule (reflecting the previously negotiated 2% increase for 2015-2016) which appears on p. 69 of the Communicator Special Edition will be deleted in its entirety due to the new four year term.

APPENDIX II

*ALL SIDE AGREEMENTS CONTAINED IN APPENDIX II NOT REPRINTED HERE CONTINUE AS PREVIOUSLY PRINTED
IN THE COMMUNICATOR SPECIAL EDITION*

MEMORANDUM OF INTERPRETATION CONCERNING SEASONAL EMPLOYEES

Section 1 – revised to reflect the new four year term of the Tentative Agreement and insert reference to “Article 21- Deficit Reduction Leave/Workforce Reduction Limitation” in the list of applicable Articles.

Section 2(A) Salary Increases, subsections 1, 2 and 3 – Retention Payment 2013-2014 – all three subsections are deleted in their entirety

Section 2(A) Salary Increases, subsections 6 and 7 – Salary Increase for Fiscal Year 2015-2016, – both subsections deleted in their entirety

Section 2(B) though 4 of the Seasonal Employees MOI continue as previously printed in the Communicator Special Edition, pp. 71-72

**APPENDIX III
Memoranda and Side Letters**

*EXCEPT AS NOTED BELOW, ALL APPENDIX III SIDE AGREEMENTS AND SIDE LETTERS CONTINUE
AS PREVIOUSLY PRINTED IN THE COMMUNICATOR SPECIAL EDITION*

**MEMORANDUM OF UNDERSTANDING
Concerning
PRODUCTIVITY ENHANCEMENT PROGRAM**

Section II of the MOU concerning PEP is amended as follows:

II. The program will be available ~~for six months in calendar year 2008 and for the entire calendar year in 2009, 2010 and 2011~~ **2012, 2013, 2014 and 2015. The enrollment period for 2012 will be conducted as soon as practicable following ratification. The enrollment period for each of the remaining calendar years will be conducted during the month of October immediately preceding that year.**

Calendar Year 2012:

Full-time employees who enroll in the program will forfeit a total of ~~1½ days for calendar year 2008 and/or 3 days for 2009, 2010, and 2011~~ **either 3 or 6 days** of annual and/or personal leave standing to their credit at the time of enrollment in return for a credit of up to \$225 for ~~2008 and/or \$450 beginning January 1, 2009 and/or \$500 beginning January 1, 2010~~ **either \$500 or \$1,000** to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks in that year. ~~During 2008 the~~ **The** credit will be divided evenly among the State paydays that fall ~~between July 1 and December 31, 2008, and/or, for 2009, 2010, and/or 2011 between January 1 and December 31,~~ **2012**, of each respective year. ~~For 2008 the enrollment period will be conducted prior to the effective date. The enrollment period for each of the remaining program calendar years will be conducted during the month of October immediately preceding that year.~~

Calendar Year 2013:

(SG 1-17) Full-time employees, up to and including SG 17 (or non-statutory employees with an annual salary no greater than the job rate of SG 17), who enroll in the program will be eligible to forfeit a total of either 3 or 6 days of annual and/or personal leave standing to their credit at the time of enrollment in return for a credit of up to either \$500 or \$1,000 to be applied toward the employee share of NYSHIP premiums and deducted from biweekly paychecks in that year. The credit will be divided evenly among the State paydays that fall between January 1 and December 31, 2013.

(SG 18-24) - For the period from January 1 to March 31, 2013, full-time employees, in SG 18 (or non-statutory employees equated to SG 18, or in the absence of that, employees with an annual salary exceeding the job rate of SG 17) up to and including SG 24 (or non-statutory employees with an annual salary no greater than the job rate of SG 24), who enroll in the program will be eligible to forfeit a total of 0.75 or 1.5 days of annual and/or personal leave standing to their credit at the time of enrollment in return for a credit of up to either \$125 or \$250 to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks during the period from January 1 to March 31, 2013. This credit will be divided evenly among the State paydays that fall between January 1, and March 31, 2013. For the period April 1 to December 31, 2013, such employees may elect to forfeit a total of either 1.5 or 3 days of annual and/or personal leave standing to their credit at the time of enrollment in return for a credit of up to either \$375 or \$750 to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks during the period from April 1 to December 31, 2013. This credit will be divided evenly among the State paydays that fall between April 1, 2013 and December 31, 2013.

Calendar Years 2014 and 2015:

(SG 1-17) Full-time employees, up to and including SG 17 (or non-statutory employees with an annual salary no greater than the job rate of SG 17), who enroll in the program will be eligible to forfeit either a total of either 3 or 6 days of annual and/or personal

leave standing to their credit at the time of enrollment in return for a credit of up to either \$500 or \$1,000 to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks in each year.

(SG 18-24) Full-time employees, in SG 18 (or non-statutory employees equated to SG 18, or in the absence of that, employees with an annual salary exceeding the job rate of SG 17) up to and including SG 24 (or non-statutory employees with an annual salary no greater than the job rate of SG 24), who enroll in the program will be eligible to forfeit a total of either 2 or 4 days of annual and/or personal leave standing to their credit at the time of enrollment in return for a credit of up to either \$500 or \$1,000 to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks in each year. The credit will be divided evenly among the State paydays that fall between January 1 and December 31 of these years.

The balance of the MOU continues as previously printed in the Communicator Special Edition, pp. 103-104 except for updates where necessary to reflect the four year term of the Tentative Agreement.

MEMORANDUM OF UNDERSTANDING
Concerning
TEACHERS' PRODUCTIVITY ENHANCEMENT PROGRAM

Section II of the MOU concerning Teachers' PEP is amended as follows:

The program will be available for ~~six months in calendar year 2008 and for the entire calendar year in 2009, 2010 and 2011~~ 2012, 2013, 2014 and 2015. The enrollment period for 2012 will be conducted as soon as practicable following ratification. The enrollment period for each of the remaining calendar years will be conducted during the month of October immediately preceding that year.

Calendar Year 2012:

Full-time employees who enroll in the program will forfeit ~~4 or 4½ days for calendar year 2008 and/or 1, 2 or 3 days for 2009, 2010, and 2011~~ 1 to 6 days of personal leave standing to their credit at the time of enrollment in return for a credit to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks in that year. ~~This credit will be worth up to \$75 for each half day during 2008. This credit will be worth up to \$150 beginning July 1, 2008 and \$166.66 beginning January 1, 2010 \$166.66 per each full day of personal leave forfeited for that program year. During 2008 the~~ The credit will be divided evenly among the State paydays that fall ~~between July 1 and December 31, 2008, and/or, for 2009, 2010, and/or 2011 between January 1 and December 31 of~~ 2012 each respective year.

Calendar Year 2013:

(SG 1-17) - Full-time employees, up to and including SG 17 (or non-statutory employees with an annual salary no greater than the job rate of SG 17), who enroll in the program will be eligible to forfeit 1 to 6 days of personal leave standing to their credit at the time of enrollment in return for a credit of \$166.66 per day to be applied toward the employee share of NYSHIP premiums and deducted from biweekly paychecks during that year. The credit will be divided evenly among the State paydays that fall between January 1 and December 31 of 2013.

(SG 18-24) - For the period from January 1 to March 31, 2013, full-time employees, in SG 18 (or non-statutory employees equated to SG 18, or in the absence of that, employees with an annual salary exceeding the job rate of SG-17) up to and including salary grade 24 (or non-statutory employees with an annual salary no greater than the job rate of SG-24), who enroll in the program will be eligible to forfeit either 1 or 1.5 days of personal leave standing to their credit at the time of enrollment in return for a credit of either \$166.66 or \$250 to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks during the period from January 1 to March 31, 2013. This credit will be divided evenly among the State paydays that fall between January 1, and March 31, 2013. For the period April 1 to December 31, 2013, such employees may elect to forfeit 1 to 3 days of personal leave standing to their credit at the time of enrollment in return for a credit of \$250 dollars per day to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks during the period from April 1 to December 31, 2013. This credit will be divided evenly among the State paydays that fall between April 1, 2013 and December 31, 2013.

Calendar Years 2014 and 2015:

(SG 1-17) - Full-time employees, up to and including SG 17 (or non-statutory employees with an annual salary no greater than the job rate of SG-17), who enroll in the program will be eligible to forfeit 1 to 6 days of personal leave standing to their credit at the time of enrollment in return for a credit of \$166.66 per day to be applied toward the employee share of NYSHIP premiums and deducted from biweekly paychecks during each year.

(SG 18-24) - Full-time employees, in salary grade 18 (or non-statutory employees equated to SG 18, or in the absence of that, employees with an annual salary exceeding the job rate of SG-17) up to and including salary grade 24 (or non-statutory employees with an annual salary no greater than the job rate of SG-24), who enroll in the program will be eligible to forfeit 1 to 4 days of personal leave in return for a credit of \$250 per day to be applied toward the employee share of NYSHIP premiums deducted from biweekly paychecks in each year. The credit will be divided evenly among the State paydays that fall between January 1 and December 31 of these years.

For 2008 the enrollment period will be conducted prior to the effective date. The enrollment period for each of the remaining program calendar years will be conducted during the month of October immediately preceding that year.

The balance of the MOU on Teachers PEP continues as previously printed in the Communicator Special Edition, pp. 103-104 except for updates where necessary to reflect the four year.

NEW WORK FORCE LIMITATION SIDE LETTER

The following new side letter will be included in the 2011-2015 Agreement:

Mr. Kenneth Brynien, President
Public Employees Federation, AFL-CIO
1168-70 Tory Schenectady Road
P.O. Box 12414

Albany, NY 12212-2414

Dear Mr. Brynien:

By this letter I am transmitting to you a copy of the memorandum that will be sent to all Agency Heads regarding the implementation of workforce reduction limitations contained in Article 21.2 of the Tentative Agreement. A substantially identical memorandum was provided to agency heads upon tentative agreement with CSEA. The memorandum also outlines that immediately following authorization by the PEF Executive Board to send the tentative agreement out to the PEF membership for ratification, agency heads will be instructed to delay the effective date of pending termination notices. In the event of ratification by the members, those terminations will be rescinded.

For the State
Howard B. Glaser
Director of State Operations

For PEF:
Kenneth Brynien
President
Public Employees Federation

COMMITTEE FUNDING AFTER EXPIRATION OF THE AGREEMENT SIDE LETTER

The side letter is amended to add the following at the end of the existing side letter:

This prorated amount shall be based on the appropriations reflected in each of the Articles above for the last year of the 2007-2011 Collective Bargaining Agreement, increased by two percent.

Nothing contained herein shall be deemed to waive either party's position regarding the appropriate interpretation of the 2007-2011 side letter on this topic or the language from that side letter which is repeated herein.

The balance of the side letter continues as previously printed in the Communicator Special Edition, p. 81 except for updates where necessary to reflect the four year term of the Tentative Agreement.

*THE FOLLOWING APPENDIX III SIDE LETTERS CONTINUE AS
PREVIOUSLY PRINTED IN THE COMMUNICATOR SPECIAL EDITION EXCEPT
FOR NECESSARY REVISIONS TO CONFORM TO THE FOUR YEAR TERM OF THE 2011-2015 TENTATIVE AGREEMENT.*

- Article 21 – Workforce Reduction Limitation Notice side letter pp. 73-74
- Patient Abuse side letter, p. 74
- Temporary Employees and Contractors Committee side letter, p. 74
- Over 40 Comp Time Pilot Program side letter, pp. 75-76
- Professional Development and Quality of Work Life Committee staff side letter, p. 81
- Labor/Management Committee Training side letter, p. 81
- OFPC Uniform Allowance side letter, p. 83
- Firearms Training and Safety Incentive Pilot, pp. 83-84
- Annual Leave Restoration side letter, p. 84
- EOL for Grievance Representatives side letter, p. 85
- Performance Evaluation and Advances MOU, pp.86-87
- Performance Awards/Temporary Drop Below Job Rate side letter, p. 88
- Verification of Doctor’s Statement side letter, p. 88
- Non-Standby Eligible On-call Scheduling side letter, p. 89
- Meal Allowance for Non-Over Night Travel side letter, p. 93
- Admin of Job Evaluation System side letter, pp. 93-94
- State Fire Instructors Fee Schedule side letter, p. 97
- Continuation of Performance Awards side letter, p. 99
- Pre-tax Transportation Program side letter, 100
- Article 17 Grievance Process side letter, pp. 105-106
- Family Benefits Funding Distribution side letter, p 109
- Long Term Seasonals side letter, pp. 110-111
- Special Assignment to Duty Pay side letter, pp. 111-112
- Special Assignment to Duty Committee side letter, p. 112

*APPENDICIES IV, V AND IV, AND ALL RELATED SIDE LETTERS, CONTINUE AS PREVIOUSLY PRINTED IN THE COMMUNICATOR
SPECIAL EDITION EXCEPT
FOR NECESSARY REVISIONS TO CONFORM TO THE FOUR YEAR TERM OF THE 2011-2015 TENTATIVE AGREEMENT*

The document below is the memorandum (formatted to fit the page) that the Director of State Operations sent to all Agency Heads following authorization by the PEF Executive Board to send the Tentative Agreement out for ratification. This is the memorandum which is referenced in the workforce limitation side letter above.



State of New York
Executive Chamber
Albany 12224

Andrew M. Cuomo
GOVERNOR

Howard B. Glaser
Director of State Operations

MEMORANDUM

TO: Agency Heads
FROM: Howard Glaser, Director of State Operations
SUBJECT: Workforce Reduction
DATE: October 18, 2011

As you are aware we recently began workforce reductions.

We embark on these reductions with the utmost reluctance. The impact on our employees and their families is painful. Nonetheless, New York State's fiscal situation is dealing with the effect of years of unsustainable spending growth, including a 38% increase in salaries and a doubling of health benefit costs over the past decade. There is no path to fiscal stability in New York that does not address workforce spending.

Despite that fact of life, we are working hard through the collective bargaining process to control costs and avoid layoffs.

The recently concluded tentative agreement with PEF prohibits layoffs of PEF-represented employees this fiscal year and next fiscal year, and provides additional job security measures for the full four year contract term. As we did with CSEA, we are honoring this provision pending ratification of the revised PEF contract. Based upon the tentative agreement with PEF and the State, you are instructed to ensure that the effective date of termination notices issued to PEF represented employees which contain an earlier date is amended to Friday, November 4th. If the contract is ratified, all layoff notices for PEF-represented employees will be rescinded. If the contract fails to ratify, terminations will become effective on November 4th, or the date contained in the original notice, whichever is later.

I recognize that this process adds complexity.

It also adds fairness.

PEF, on behalf of its members, has bargained for this protection.

While the pending contract contains the same terms regarding performance advances ("step increases"), award payments and the same outstanding health benefits package for which the state bears 69%-88% of the cost, there are also contributions by PEF members that ensure job security.

Neither PEF nor the state got everything it "wanted". But we reached an agreement which achieves both fiscal stability for the state and workforce stability for PEF. The converse also remains true: failure to ratify the contract would eliminate workforce protections not just in the immediate future, but for future years as well, at a time when the state financial plan anticipates multi-billion shortfalls.

**2011-2015 Tentative Agreement
Comparison to July, 2011 Tentative Agreement**

Article	OLD – July, 2011 Tentative Agreement	NEW – October, 2011 Tentative Agreement
Article 49 – Term of the Agreement	<ul style="list-style-type: none"> • Five year term – April 2, 2011 to April 1, 2016 	<ul style="list-style-type: none"> • Four year term – April 2, 2011 to April 1, 2015
Article 7 – Across the Board Increases	<ul style="list-style-type: none"> • 2011-12 – 0% • 2012-13 – 0% • 2013-14 – 0% • 2014-15 – 2% effective April, 2014 • 2015-16 – 2% effective April, 2015 	<ul style="list-style-type: none"> • 2011-12 – 0% • 2012-13 – 0% • 2013-14 – 0% • 2014-15 – 2% effective April, 2014
Article 7 – Retention (lump sum) Payment	<ul style="list-style-type: none"> • Active employees as of the date of ratification and who remain active until April, 2013 shall receive: <ul style="list-style-type: none"> ○ \$775 lump sum April, 2013 and ○ \$225 lump sum April, 2014 • Eligibility for the \$775 guarantees eligibility for the \$225. • Payments are not added to base but will count for final average salary. • Pro-rated for part-time employees (based on actual hours worked). 	<ul style="list-style-type: none"> • No Lump Sum Payment
Article 7 – Longevity Awards and Increments	<ul style="list-style-type: none"> • No change in benefits. • All Performance (longevity) Awards continue. • All Performance Advances (increments) continue. 	<ul style="list-style-type: none"> • Same
Article 7 – Overtime Compensation	<ul style="list-style-type: none"> • When <u>voluntary</u> overtime is worked, <u>unscheduled</u> absences charged to sick leave in the same work week will not count as time worked for calculating overtime in that work week. • No change in calculation when overtime is mandatory. • No change in calculation if sick leave is pre-scheduled. • All other time charged to leave accruals continues to count. 	<ul style="list-style-type: none"> • Same
NEW Article 21 – Deficit Reduction Leave (DRL)	<ul style="list-style-type: none"> • FY 2011-2012 – 5 deficit reduction leave (DRL) days: <ul style="list-style-type: none"> ○ Total compensation, less overtime, will be reduced by the value of five days. ○ Following ratification, the reduction in compensation will be spread over remaining pay periods in fiscal year 2011-2012. ○ DRL days off are guaranteed days off, to be scheduled at employee’s election, subject to supervisory approval. ○ Conflicting requests will be approved in order of seniority. ○ No restriction on charging leave days consecutively or in conjunction with other leave. ○ Ten month teachers will be allowed to charge FY 2011-2012 DRL days off during 2011-2012 academic calendar. 	<ul style="list-style-type: none"> • FY 2011-12 and 2012-13 – 9 DRL days (All repaid) : <ul style="list-style-type: none"> ○ Upon ratification, employees will be credited with 9 days of DRL time. ○ Employees will have the ability to use these days over the remainder of FY 2011-12 and through FY 2012-2013. ○ DRL days off are guaranteed days off, to be scheduled at employee’s election, subject to same scheduling provisions as previously agreed. ○ Ten month teachers will be allowed to charge DRL days through end of the 2012-13 academic calendar. • Total compensation, less overtime, will be reduced by the value of 9 days as follows: <ul style="list-style-type: none"> ○ The 2011-2012 value of the days will be spread equally over remaining 10 pay periods in FY 2011-12 by reducing total compensation, less overtime, by 4.198%.

**2011-2015 Tentative Agreement
Comparison to July, 2011 Tentative Agreement**

Article	OLD – July, 2011 Tentative Agreement	NEW – October, 2011 Tentative Agreement
NEW Article 21 – Deficit Reduction Leave (DRL) (continued)	<ul style="list-style-type: none"> • FY 2012-2013 – 4 DRL days (repaid): <ul style="list-style-type: none"> ○ Total compensation, less overtime, will be reduced by the value of four days. ○ The reduction in compensation will be spread over all pay periods in fiscal year 2012-2013. ○ Ability to charge DRL days subject to same terms as FY 2011-2012 days. ○ Ten month teachers will be allowed to charge FY 2012-2013 DRL days off during 2012-2013 academic calendar. ○ Four day reduction repaid to active employees over 39 pay periods (18 months) beginning in March 2016. ○ Employees who separate from service will be repaid for 2012-2013 reduction at time of separation. 	<ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Reduction will result in approximately 4 days of pay in FY 2011-12. It is also equivalent to the bi-weekly reduction that would have occurred on a bi-weekly basis under the original tentative agreement. ○ The 2012-13 value of the days will be spread equally over the 26 pay periods in 2012-13 by reducing total compensation, less overtime, by a factor of 1.847%. <ul style="list-style-type: none"> ▪ Reduction will result in approximately 5 days of pay in FY 2012-13. • 9 day reduction repaid to active employees over 39 pay periods (18 months) beginning in March 2015 (one year earlier than previously agreed). <ul style="list-style-type: none"> ○ Employees who separate from service will be repaid for 9 day reduction at separation from service.
Article 21 – Workforce Reduction Limitation	<ul style="list-style-type: none"> • For Fiscal Years 2011-2012 and 2012-2013, employees shall be protected from layoffs resulting from the facts and circumstances that gave rise to the present need for \$450 million in workforce savings. • For the term of the agreement, only material or unanticipated changes in the State's fiscal circumstances, financial plan or revenue will result in potential layoffs. • Workforce reductions due to the closure or restructuring of facilities, as authorized by legislation or Spending and Government Efficiency (SAGE) Commission determinations are excluded from these limitations. 	<ul style="list-style-type: none"> • Same
NEW Workforce Reduction Limitation Implementation Sideletter	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • New side letter will specifically reference memorandum from Director of State Operations Glaser to all Agency Heads regarding the implementation and scope of workforce reduction limitations contained in Article 21.2 • Current layoffs will be suspended pending ratification and rescinded following ratification • Glaser memorandum to Agency Heads states: “The recently concluded tentative agreement with PEF prohibits layoffs of PEF–represented employees this fiscal year and next fiscal year and provides additional job security measures for the full four year contract term.”
Workforce Reduction Limitation Notice Sideletter	<ul style="list-style-type: none"> • For layoffs resulting from facility closures and/or SAGE Commission actions announced subsequent to ratification of the Agreement, employees shall receive sixty (60) days notification prior to the effective date of the termination. 	<ul style="list-style-type: none"> • Same

**2011-2015 Tentative Agreement
Comparison to July, 2011 Tentative Agreement**

Article	OLD – July, 2011 Tentative Agreement	NEW – October, 2011 Tentative Agreement
Workforce Reduction Limitation Notice Sideletter (continued)	<ul style="list-style-type: none"> • For layoffs resulting from other changes in circumstances (separate from facility closures and/or SAGE Commission actions), employees shall receive thirty (30) days notification prior to the effective date of the termination. • The State will encourage agencies to utilize the Agency Reduction Transfer List (“ARTL”) process where appropriate and feasible. Nothing herein shall be deemed a waiver of any kind by either party regarding their respective underlying positions as to the appropriate interpretation of Civil Service Law §78. 	
Article 12 – Attendance and Leave - Vacation Accrual Cap	<ul style="list-style-type: none"> • On April 1, 2012 only, employees may continue to carry up to 45 days of vacation. Vacation accrual maximum returns to 40 days on April 1, 2013. 	<ul style="list-style-type: none"> • Same
Article 12 – Productivity Enhancement Program	<ul style="list-style-type: none"> • Employees SG 24 and below may cash in six days of vacation or personal leave for \$1,000 which is used to offset the employee’s contribution to health insurance premiums. 	<ul style="list-style-type: none"> • 2012: Employees SG 24 and below may cash in either 3 or 6 days of vacation or personal leave for a credit of either \$500 or \$1,000 to offset the cost of health insurance premiums. • 2013: <ul style="list-style-type: none"> ○ SG 17 and below – 3 or 6 days for \$500 or \$1,000. ○ SG 18-24 – <ul style="list-style-type: none"> ▪ 1/1/13 to 3/31/13 – 3 or 6 days for credit of \$500 or \$1,000, pro-rated. ▪ 4/1/13 to 12/31/13 – annual benefit of 2 days or 4 days for credit of \$500 or \$1,000. ▪ Annual benefit will be prorated for midyear phase-in. • 2014 and 2015: <ul style="list-style-type: none"> ○ SG 17 and below –3 or 6 days for \$500 or \$1,000. ○ SG 18 to 24 –2 days or 4 days for \$500 or \$1,000.
Article 9 – Employee Premium Contribution	<ul style="list-style-type: none"> • Effective October 1, 2011 the employee’s share of Empire Plan premiums will increase as follows: • Grade 10 and above: <ul style="list-style-type: none"> ○ Individual –16% for employee ○ Family –16% for employee plus 31% for covered dependent(s) • Grade 9 and below: <ul style="list-style-type: none"> ○ Individual –12% for employee ○ Family –12% for employee plus 27% for covered dependent(s) 	<ul style="list-style-type: none"> • Same • Same
Article 9 – Health Insurance Enrollment Opt Out	<ul style="list-style-type: none"> • Effective January 1, 2012 eligible employees who opt out of health insurance coverage will receive additional compensation for doing so as follows: <ul style="list-style-type: none"> ○ Individual coverage - \$1,000/year ○ Family coverage - \$3,000/year • Payment spread over year and paid in bi-weekly paycheck. 	<ul style="list-style-type: none"> • Same

**2011-2015 Tentative Agreement
Comparison to July, 2011 Tentative Agreement**

Article	OLD – July, 2011 Tentative Agreement	NEW – October, 2011 Tentative Agreement
Article 9 – Health Insurance Enrollment Opt Out (continued)	<ul style="list-style-type: none"> • Employees must have been enrolled on 4/1/11 if previously eligible for coverage. • Employees not previously eligible for coverage must choose to opt out as soon as they become eligible. • Employees must have proof of alternate coverage. • Employees may re-enroll either following a qualifying change in status or during the annual option transfer period. • Employees who opt out are deemed “enrolled” at retirement to be eligible for retiree health insurance coverage. 	
Article 9 – Retiree Sick Leave Credit	<ul style="list-style-type: none"> • Effective October 1, 2011, for employees retiring on or after 10/1/11, new life expectancy tables will be used to calculate the value of the monthly sick leave credit. • The tables that Civil Service must use as of 10/1/2011 to calculate the sick leave credit will be the 1999 Unisex life expectancy tables currently used by NYSERS. • All employees can use up to 200 days of sick leave for retiree health insurance costs (no change from current). 	<ul style="list-style-type: none"> • Implementation of change to new life expectancy table will be December 1, 2011 for employees retiring on or after that date.
Article 9 – Empire Plan Par-provider Copays	<ul style="list-style-type: none"> • No change to any medical copays throughout the term of the tentative agreement. • Effective 10/1/2011, pursuant to federal Patient Protection Affordable Care Act (PPACA), certain office visits, tests, and immunizations considered to be “preventive care” will be exempt from copayment. 	<ul style="list-style-type: none"> • Same
Article 9 – Empire Plan Par-Providers	<ul style="list-style-type: none"> • Effective 1/1/2012, the participating provider network will include Nurse Practitioners and “Minute Clinics,” subject to applicable par provider copayment. 	<ul style="list-style-type: none"> • Same
Article 9 – Empire Plan Annual Deductible	<ul style="list-style-type: none"> • Effective 1/1/2012, annual deductibles when using non-network providers will be: <ul style="list-style-type: none"> ○ \$1,000 for the enrollee, \$1000 for the spouse/domestic partner, and \$1000 for one or all dependent children. ○ Combines separate deductibles for Basic Medical, Non-Network Mental Health, and Non-Network Substance Abuse into one per enrollee, one per spouse, and one per all dependent children (per federal Mental Health Parity requirements). • Adds cap of \$500 for employees Salary Grade 6 and below. • Eliminates annual CPI-W adjustments. 	<ul style="list-style-type: none"> • Same

**2011-2015 Tentative Agreement
Comparison to July, 2011 Tentative Agreement**

Article	OLD – July, 2011 Tentative Agreement	NEW – October, 2011 Tentative Agreement
Article 9 – Empire Plan Annual Coinsurance Maximum	<ul style="list-style-type: none"> • Effective 1/1/2012, coinsurance maximums when using non-network providers will be: <ul style="list-style-type: none"> ○ \$3,000 for the enrollee, \$3,000 for the spouse/domestic partner, and \$3,000 for one or all dependent children. ○ Combines separate coinsurance maximums for Basic Medical, Non-Network Mental Health, Non-Network Substance Abuse and Non-Network Hospital into one per enrollee, one per spouse, and one per all dependent children (per federal Mental Health Parity requirements). • Cap of \$1,500 for employees Salary Grade 6 and below. • Eliminates annual CPI-W adjustment. 	<ul style="list-style-type: none"> • Same
Article 9 – Empire Plan – Participating Provider Guaranteed Access	<ul style="list-style-type: none"> • Effective 1/1/2012, a Guaranteed Access Program for participating primary care physicians (PCPs) and “core” specialists will be implemented. • Under the program, if there is no participating provider within the geographic access standard, enrollees will receive paid in full coverage (less appropriate copay if any). 	<ul style="list-style-type: none"> • Same
Article 9- Empire Plan Prescription Drug Retail Copays	<ul style="list-style-type: none"> • Effective 10/1/2011 - Retail copays as follows: <ul style="list-style-type: none"> ○ Level One <ul style="list-style-type: none"> ▪ 30-day supply - \$5 ▪ 90 day supply - \$10 ○ Level Two <ul style="list-style-type: none"> ▪ 30-day supply - \$25 ▪ 90-day supply - \$50 ○ Level Three <ul style="list-style-type: none"> ▪ 30-day supply - \$45 ▪ 90-day supply - \$90 	<ul style="list-style-type: none"> • Change in Retail copays will be effective 12/1/2011
Article 9 – Empire Plan Prescription Drug Mail Service Copays	<ul style="list-style-type: none"> • Effective 10/1/2011 Mail Service copays as follows: <ul style="list-style-type: none"> ○ Level One <ul style="list-style-type: none"> ▪ 30-day supply - \$5 ▪ 90 day supply - \$5 ○ Level Two <ul style="list-style-type: none"> ▪ 30-day supply - \$25 ▪ 90-day supply - \$50 ○ Level Three <ul style="list-style-type: none"> ▪ 30-day supply - \$45 ▪ 90-day supply - \$90 	<ul style="list-style-type: none"> • Change in Mail Service copays will be effective 12/1/2011
Article 9 – Empire Plan Prescription Drug Program	<ul style="list-style-type: none"> • Effective 10/1/2011, “First Launch” generic medications may be excluded or placed on Level 3 of Empire Plan Flexible Formulary while brand name drug remains less expensive. 	<ul style="list-style-type: none"> • Same
Article 9 – Empire Plan Prescription Drug Program	<ul style="list-style-type: none"> • Effective 1/1/2013, new “New to You” requirement. • Enrollee must get two 30-day fills of a newly prescribed drug at retail before benefits will be provided for a 90-day fill. Does not apply to changes in dosage level. 	<ul style="list-style-type: none"> • Same

**2011-2015 Tentative Agreement
Comparison to July, 2011 Tentative Agreement**

Article	OLD – July, 2011 Tentative Agreement	NEW – October, 2011 Tentative Agreement
Article 9 – Joint Committee on Health Benefits Responsibilities	<ul style="list-style-type: none"> • JCHB to work with State to implement, oversee and monitor Guaranteed Access Program for PCPs and “core” specialists. • Once established, no change in access standards without joint agreement of State and PEF. 	<ul style="list-style-type: none"> • Same
	<ul style="list-style-type: none"> • JCHB to work with State to establish and implement voluntary Health Risk Assessment Program and educational endeavors designed to encourage healthier lifestyles. 	<ul style="list-style-type: none"> • Same
	<ul style="list-style-type: none"> • JCHB to meet and confer with State on evaluation of possible transition to GHI Preferred Plus dental plan. 	<ul style="list-style-type: none"> • Same
	<ul style="list-style-type: none"> • JCHB will review radiology pre-notification requirement and review viability and cost effectiveness of implementing pre-authorization program for those services and for non-urgent/non-emergent cardiologic procedures and testing. 	<ul style="list-style-type: none"> • Same
	<ul style="list-style-type: none"> • JCHB to work with State to implement and oversee a “Healthy Back” disease management program. 	<ul style="list-style-type: none"> • Same
	<ul style="list-style-type: none"> • JCHB to work with State to implement and oversee a Bariatric Surgery management program. 	<ul style="list-style-type: none"> • Same
	<ul style="list-style-type: none"> • If found advantageous and feasible, “Alternative Prescription Drug Program” will be offered to PS&T Unit enrollees on a voluntary basis. 	<ul style="list-style-type: none"> • Same
	<ul style="list-style-type: none"> • State to develop and release RFP for self-insured Prescription Drug Program. • JCHB will work with State in development of RFP and review and comment on proposals received. • State will evaluate ability/timetable to expand self-insurance to remaining components of Empire Plan and dental plan. 	<ul style="list-style-type: none"> • Same
Joint Committees – Articles 9, 10, 14, 15, 18, 27, 42,	<ul style="list-style-type: none"> • Committee funding will continue at FY 2010-11 levels for FY 2011-12, FY 2012-13, and FY 2013-14 as follows: <ul style="list-style-type: none"> ○ Art. 9 – JCHB \$500,000 ○ Art. 15 – Professional Development <ul style="list-style-type: none"> ▪ Art. 15.3 \$5,629,200 ▪ Art. 15.4 \$980,500 ▪ Art. 15.5 \$959,500 ▪ Art. 15.6 \$500,000 ○ Art. 10 – EAP \$426,000 ○ Art. 14 – PDQWL \$530,000 ○ Art. 18 – H&S \$688,000 	<ul style="list-style-type: none"> • The following committee funding amounts are modified as follows: <ul style="list-style-type: none"> ○ Art. 9 <ul style="list-style-type: none"> ▪ 2011-12 - \$500,000 ▪ 2012-13 - \$0 ▪ 2013-14 - \$0 ▪ 2014-15 - \$510,000 ○ Art. 15.3 <ul style="list-style-type: none"> ▪ 2011-12 - \$2,879,200 ▪ 2012-13 - \$1,129,200 ▪ 2013-14 - \$1,129,200 ▪ 2014-15 - \$1,241,784 ○ Art. 15.6 <ul style="list-style-type: none"> ▪ 2011-12 - \$0 ▪ 2012-13 - \$500,000 ▪ 2013-14 - \$500,000 ▪ 2014-15 - \$510,000 • Committee funding levels restored to FY 2007-2011 levels plus 2 % for 9 month continuation of committee funding post expiration – April 2, 2015-December 31, 2015.

**2011-2015 Tentative Agreement
Comparison to July, 2011 Tentative Agreement**

Article	OLD – July, 2011 Tentative Agreement	NEW – October, 2011 Tentative Agreement
Joint Committees – Articles 9, 10, 14, 15, 18, 27, 42, (continued)	<ul style="list-style-type: none"> ○ Art. 27 – Prop. Damage \$20,700 ○ Art. 42 – Family Benefits \$1,884,600 • Committee funding levels increase by 2% in FY 2014-15. 	<ul style="list-style-type: none"> • Other committee funding levels unchanged from July 2011 tentative agreement.
Sideletter – Patient Abuse Discipline	<ul style="list-style-type: none"> • New panel of arbitrators for abuse cases will be created. • Arbitrators’ fees will increase to an agreed-upon daily rate. • Joint training will be provided to the panel. Additional training will be provided every 2-3 years thereafter. • A table of penalties for increasingly severe acts of misconduct will be negotiated. • Employees guilty of patient abuse who are not terminated will not return to the facility where abuse occurred. 	<ul style="list-style-type: none"> • Same
Utilization of Workforce Sideletter	<ul style="list-style-type: none"> • A joint committee will be created to review the State’s utilization of employees of non-State entities during the term of this Agreement. The parties will meet and confer on how permanent State employees can be better utilized to perform functions currently performed by such employees. 	<ul style="list-style-type: none"> • Same

**2011-2015 PS&T Unit Tentative Agreement
GAINS and TRADE OFFS**

Article	Gains	Trade Offs
Article 7 – Base Salary Increases	<ul style="list-style-type: none"> 2014-15 – 2% effective April, 2014 	<ul style="list-style-type: none"> 2011-12 – 0% 2012-13 – 0% 2013-14 – 0%
Article 7 – Longevity Awards and Increments	<ul style="list-style-type: none"> No change in benefits. All Performance (longevity) Awards continue. All Performance Advances (increments), including Job Rate parity advances continue. All Awards and Advances will be contractually protected by the 2011-2015 Agreement following ratification. 	
Article 7 – Overtime Compensation	<ul style="list-style-type: none"> No change in calculation when mandatory overtime is worked. No change in calculation if sick leave is pre-scheduled. All other time charged to leave accruals continues to count. 	<ul style="list-style-type: none"> When <u>voluntary</u> overtime is worked, <u>unscheduled</u> absences charged to sick leave in the same work week will not count as time worked for calculating overtime in that work week.
NEW Article 21.1 – Deficit Reduction Leave (DRL) 2011-2013 DRL Days	<ul style="list-style-type: none"> All 9 DRL days off are guaranteed days. All 9 days will be available for charge beginning immediately following ratification and must be used on or before 3/31/13. Money withheld for all 9 days reduction will be repaid: <ul style="list-style-type: none"> Active employees will be repaid for all 9 days over 39 pay periods (18 months) beginning in March 2015. Employees who separate from service will be repaid at time of separation. Days will be scheduled at employee’s election, subject to supervisory approval. Conflicting requests will be approved in order of seniority. No restriction on charging leave consecutively or in conjunction with other leave. Ten month teachers may charge all 9 DRL days through end of 2012-13 academic year. 	<ul style="list-style-type: none"> FY 2011-2013 – Nine deficit reduction leave days: total compensation, less overtime, will be reduced by the value of 9 days spread over the remainder of FY 2011-2 and through FY 2012-2013as follows: <ul style="list-style-type: none"> 2011-12, bi-weekly earnings will be reduced by 4.198% for the last 10 pay periods of FY 2011-12. This will result in a reduction of approximately 4 days of pay in FY 2011-12. 2012-13, bi-weekly earnings will be reduced by 1.847% for the 26 pay periods in 2012-13. This will result in a reduction of approximately 5 days of pay in FY 2012-13.

**2011-2015 PS&T Unit Tentative Agreement
GAINS and TRADE OFFS**

Article	Gains	Trade Offs
Article 21 – Workforce Reduction Limitation	<ul style="list-style-type: none"> • For FY 2011-12 and 2012-13, employees shall be protected from layoffs resulting from the facts and circumstances that gave rise to the present need for \$450 million in workforce savings. • For the term of the Agreement, only material or unanticipated changes in the State's fiscal circumstances, financial plan or revenue will result in potential layoffs. 	<ul style="list-style-type: none"> • Workforce reductions due to the closure or restructuring of facilities, as authorized by legislation or Spending and Government Efficiency (SAGE) Commission determinations are excluded from these limitations.
NEW Workforce Reduction Limitation Implementation Sideletter	<ul style="list-style-type: none"> • New side letter will specifically reference memorandum from Director of State Operations Glaser to all Agency Heads regarding implementation of workforce reduction limitations contained in Article 21.2. • Current layoffs will be suspended pending ratification and rescinded completely following ratification. • Glaser memorandum to Agency Heads states: “The recently concluded tentative agreement with PEF prohibits layoffs of PEF–represented employees this fiscal year and next fiscal year and provides additional job security measures for the full four year contract term.” 	
NEW Workforce Reduction Limitation Notice Sideletter	<p>For FY 2011-12 and FY 2012-13:</p> <ul style="list-style-type: none"> • For layoffs that may result from legislatively authorized facility closures or SAGE Commission actions, employees shall receive 60 days notice. • For layoffs resulting from material or unanticipated changes in circumstances, employees shall receive 30 days notice. • The State will encourage agencies to utilize the Agency Reduction Transfer List (“ARTL”) process where appropriate and feasible. (PEF preserved right to challenge that ARTL is mandatory under Civil Service Law). 	
Article 9 – Employee Premium Contribution		<ul style="list-style-type: none"> • Effective October 1, 2011 the employee’s share of Empire Plan premiums will <u>increase</u> as follows: • Grade 10 and above: <ul style="list-style-type: none"> ○ Individual –from 10% to 16% for employee. ○ Estimated increase in employee’s share of premium for individual coverage (based on 2011 premium amounts and solely reflecting impact of premium shift) is: <ul style="list-style-type: none"> ▪ \$16.36 (pay period) \$425.26 (annual). ○ Family –from 10% to 16% for employee plus from 25% to 31% for covered dependent(s). ○ Estimated increase in employee’s share of premium for family coverage (based on 2011 premium amounts and solely reflecting impact

**2011-2015 PS&T Unit Tentative Agreement
GAINS and TRADE OFFS**

Article	Gains	Trade Offs
		<p>of premium shift) is:</p> <ul style="list-style-type: none"> ▪ \$37.44 (pay period) \$973.50 (annual). <ul style="list-style-type: none"> • Grade 9 and below: <ul style="list-style-type: none"> ○ Individual – from 10% to 12% for employee. ○ Estimated increase in employee’s share of premium for individual coverage (based on 2011 premium amounts and solely reflecting impact of premium shift) is: <ul style="list-style-type: none"> ▪ \$5.45 (pay period) \$141.75 (annual). ○ Family – from 10% to 12% for employee plus from 25% to 27% for covered dependent(s). ○ Estimated increase in employee’s share of premium for family coverage (based on 2011 premium amounts and solely reflecting impact of premium shift) is: <ul style="list-style-type: none"> ▪ \$12.48 (pay period) \$324.50 (annual). • NOTE: These estimates reflect ONLY the change in enrollee contributions for Empire Plan coverage and do not include any possible impact of other design changes. • These premium contribution changes apply to HMO premiums. However, the State’s contribution to HMO premiums is “capped” by the amount of the State’s contribution to Empire Plan premiums.
<p>Article 9 – Health Insurance Enrollment Opt Out</p>	<ul style="list-style-type: none"> • Effective January 1, 2012, eligible employees who opt out of health insurance coverage will receive additional compensation for doing so as follows: <ul style="list-style-type: none"> ○ Individual coverage – \$1,000 per year ○ Family coverage – \$3,000 per year • Payment is spread over 26 pay periods in calendar year and paid in bi-weekly paycheck. • Employees must have been enrolled on and after April 1 of prior year, if previously eligible for coverage. • Employees not previously eligible for coverage must choose to opt out as soon as they become eligible. • Employees must have proof of alternate health insurance coverage. • Employees may re-enroll either following a qualifying change in status or during the annual option transfer period. • Employees who opt out are deemed “enrolled” at time of retirement to be eligible for retiree health insurance coverage. 	
<p>Article 9 – Retiree Sick Leave Credit</p>		<ul style="list-style-type: none"> • Effective 12/1/2011, for employees retiring on or after 12/1/2011, new life expectancy tables will be used to calculate the value of the monthly sick leave credit. • The tables that Civil Service must use as of 12/1/2011 to calculate the credit will be the 1999 Unisex life expectancy tables currently used by NYSERS.

**2011-2015 PS&T Unit Tentative Agreement
GAINS and TRADE OFFS**

Article	Gains	Trade Offs
Article 9 – Retiree Sick Leave Credit (continued)	<ul style="list-style-type: none"> All employees can continue to use up to 200 days of accrued sick leave for retiree health insurance costs (no change from current benefit). 	
Article 9 – Empire Plan Par-Provider Copays	<ul style="list-style-type: none"> No change to any medical copays throughout the term of the 2011-2015 Tentative Agreement. Effective 10/1/2011, due to loss of “grandfathered” status under federal Patient Protection and Affordable Care Act (PPACA), certain office visits, tests, and immunizations considered to be “preventive care” under PPACA will be exempt from copayment. Implementation may require retroactive adjustment/repayment of copays already paid. 	
Article 9 – Empire Plan Par-Provider Network	<ul style="list-style-type: none"> Effective 1/1/2012, the par provider network will include Nurse Practitioners and “Minute Clinics,” subject to applicable copayment. 	
Article 9 – Empire Plan Annual Deductible	<ul style="list-style-type: none"> Current separate deductibles for Basic Medical, Non-Network Mental Health, and Non-Network Substance Abuse will be combined into a single deductible: one per enrollee, one per spouse, and one per all dependent children, to address federal Mental Health Parity requirements. Annual CPI-W adjustments to deductible amount are eliminated. Deductible capped at \$500 annually for employees Salary Grade 6 and below. 	<ul style="list-style-type: none"> Effective 1/1/2012, annual deductibles when using non-network providers will be increased from: <ul style="list-style-type: none"> \$388 to \$1,000 for enrollee, \$338 to \$1000 for spouse/domestic partner \$388 to \$1000 for one or all dependent children.
Article 9 – Empire Plan Annual Coinsurance Maximum	<ul style="list-style-type: none"> Current separate coinsurance maximums for Basic Medical, Non-Network Mental Health, and Non-Network Substance Abuse will be combined into a single coinsurance maximum: one per enrollee, one per spouse, and one per all dependent children to address federal Mental Health Parity requirements. Existing \$1,500 coinsurance maximum for non-network hospital care will also be included in new combined coinsurance maximum. Annual CPI-W adjustments to coinsurance maximums are eliminated. Out of pocket maximum capped at \$1,500 for employees Salary Grade 6 and below. 	<ul style="list-style-type: none"> Effective 1/1/2012, coinsurance maximums when using non-network providers will be increased from: <ul style="list-style-type: none"> \$1,069 to \$3,000 for enrollee, \$1,069 to \$3,000 for spouse/domestic partner \$1,069 to \$3,000 for one or all dependent children.

**2011-2015 PS&T Unit Tentative Agreement
GAINS and TRADE OFFS**

Article	Gains	Trade Offs
Article 9 – Empire Plan Participating Provider Guaranteed Access	<ul style="list-style-type: none"> Effective 1/1/2012, a Guaranteed Access Program for participating primary care physicians (PCPs) and “core” specialists will be implemented. If there is no par-provider within geographic access standard, enrollees will receive paid in full coverage (less copay if any). 	
Article 9 – Empire Plan Hospital Copays	<ul style="list-style-type: none"> There are no changes in existing outpatient hospital or emergency room copays. 	
Article 9- Empire Plan Prescription Drug Retail Copays	<ul style="list-style-type: none"> There is no change in Retail copays for “Level One” (typically generic) drugs: <ul style="list-style-type: none"> 30 day supply - \$5 31-90 day supply - \$10 	Effective 12/1/2011 - Retail copays increase as follows: <ul style="list-style-type: none"> Level Two (preferred brand) <ul style="list-style-type: none"> 30 day supply - \$15 to \$25 31 to 90 days - \$30 to \$50 Level Three (non-preferred brand) <ul style="list-style-type: none"> 30 day supply - \$40 to \$45 31 to 90 days - \$70 to \$90
Article 9 – Empire Plan Prescription Drug Mail Service Copays	There is no change in Mail Service copays for “Level One” (typically generic) drugs: <ul style="list-style-type: none"> 30 day supply - \$5 31 to 90 days - \$5 	Effective 12/1/2011 - Mail Service copays increase as follows: <ul style="list-style-type: none"> Level Two (preferred brand) <ul style="list-style-type: none"> 30 day supply - \$15 to \$25 31 to 90 days - \$20 to \$50 Level Three (non-preferred brand) <ul style="list-style-type: none"> 30 day supply - \$40 to \$45 31 to 90 days - \$65 to \$90
Article 9 – Empire Plan Prescription Drug Program	<ul style="list-style-type: none"> Effective 10/1/2011, “First Launch” generic medications may be excluded or placed on Level 3 of Empire Plan Flexible Formulary while brand name drug may be less expensive. 	
Article 9 – Empire Plan Prescription Drug Program		<ul style="list-style-type: none"> Effective 1/1/2013, initial “New to You” prescription drug fills will be limited to 30 day fills. Enrollee must get two 30 day fills of a newly prescribed drug (subject to 30 day copay) before filling a 90 day prescription. “New to You” does not apply to changes in dosage level of same drug.
Article 9 – Joint Committee on Health Benefits (JCHB) Charges	<ul style="list-style-type: none"> JCHB to work with State to implement, oversee and monitor Guaranteed Access Program for PCPs and “core” specialists. Once established, no change in access standards without agreement of State and PEF. 	
	<ul style="list-style-type: none"> JCHB to work with State to establish and implement voluntary Health Risk Assessment Program and educational endeavors to encourage healthier lifestyles. 	
	<ul style="list-style-type: none"> JCHB to meet and confer with State on evaluation of possible transition to GHI Preferred Plus dental plan. 	

**2011-2015 PS&T Unit Tentative Agreement
GAINS and TRADE OFFS**

Article	Gains	Trade Offs
	<ul style="list-style-type: none"> JCHB will review radiology pre-notification requirement and review viability and cost effectiveness of implementing pre-authorization program for those services and for non-urgent/non-emergent cardiologic procedures and testing. 	
	<ul style="list-style-type: none"> JCHB to work with State to implement and oversee a “Healthy Back” voluntary disease management program. 	
	<ul style="list-style-type: none"> JCHB to work with State to implement and oversee a Bariatric Surgery management program. 	
	<ul style="list-style-type: none"> If found advantageous and feasible, an “Alternative Prescription Drug Program” will be offered to PS&T Unit enrollees on a voluntary basis. 	
	<ul style="list-style-type: none"> State will develop and release RFP for self-insured Prescription Drug Program. JCHB will work with State in development of RFP and review proposals received. State will evaluate ability/timetable to expand self-insurance to remaining components of Empire Plan and dental plan. 	
Article 12 – Productivity Enhancement Program (PEP) – Side Agreement	<ul style="list-style-type: none"> Employees SG 24 and below may now participate in PEP (increased from current SG 17 cap). 2012: Employees SG 24 and below may cash in 3 or 6 days of vacation or personal leave for a credit of \$500 or \$1,000 to offset cost of health insurance. 1/1/13 – 3/31/13: Same benefit as for 2012, prorated for 3 month period. 4/1/13 – 12/31/13: Annual rate of charge to accruals for SG 18 to 24 modified: Cash in 2 days or 4 days for credit of \$500 or \$1,000, prorated for nine month period due to mid-year phase-in. 2014 and 2015: yearly benefit as follows: <ul style="list-style-type: none"> SG 17 and below cash in 3 or 6 days for credit of \$500 or \$1,000. SG 18 to 24 cash in 2 days or 4 days for credit of \$500 or \$1,000. Language clarified to assure option is available for “Non-statutory” employees with salaries less than or equal to the SG 24 job rate. 	
Article 12 – Attendance and Leave Vacation Accrual Cap	<ul style="list-style-type: none"> On April 1, 2012 only, employees may continue to carry up to 45 days of vacation. Vacation accrual maximum returns to 40 days on April 1, 2013. 	
Joint Committees – Articles 9, 10, 14, 15, 18, 27, 42,	<p>Contract Committee funding for the following will continue at FY 2010-11 levels for FY 2011-12, FY 2012-13, and FY 2013-14:</p> <ul style="list-style-type: none"> Art. 10 – EAP \$426,000 Art. 14 – PDQWL \$530,000 Art. 15 – Prof. Development <ul style="list-style-type: none"> Art. 15.4 \$980,500 Art. 15.5 \$959,500 Art. 18 – H&S \$688,000 Art. 27 – Prop. Dam. \$20,700 Art. 42 – FBP \$1,884,600 <p>These committee funding levels will increase by 2% in FY 2014-15.</p>	

**2011-2015 PS&T Unit Tentative Agreement
GAINS and TRADE OFFS**

Article	Gains	Trade Offs
<p>Joint Committees – Articles 9, 10, 14, 15, 18, 27, 42, (continued)</p>	<ul style="list-style-type: none"> • Funding levels (particularly Article 15.3) restored to FY 2007-2011 levels plus 2% for 9 month continuation of committee funding post expiration – April 2, 2015 – Dec. 31, 2015. 	<ul style="list-style-type: none"> • Committee funding reduced by 17.75 million dollars over the term of the Agreement as compared to 2010-11 funding levels. • This reduction was achieved by modifying Committee funding amounts as follows: <ul style="list-style-type: none"> ○ Art. 9 - JCHB <ul style="list-style-type: none"> ▪ 2011-12 - \$500,000 ▪ 2012-13 - \$0 ▪ 2013-14 - \$0 ▪ 2014-15 - \$510,000 ○ Art. 15.3 – PSTP <ul style="list-style-type: none"> ▪ 2011-12 - \$2,879,200 ▪ 2012-13 - \$1,129,200 ▪ 2013-14 - \$1,129,200 ▪ 2014-15 - \$1,241,784 ○ Art. 15.6 – Professional Development for Nurses <ul style="list-style-type: none"> ▪ 2011-12 - \$0 ▪ 2012-13 - \$500,000 ▪ 2013-14 - \$500,000 ▪ 2014-15 - \$510,000
<p>Article 33 – Sideletter Patient Abuse Discipline</p>	<ul style="list-style-type: none"> • A new panel of arbitrators for patient abuse cases will be created (a separate panel currently exists). • Arbitrators’ fees will be increased to agreed-upon daily rate. • Joint training will be provided to the panel. Training provided every 2-3 years thereafter. 	<ul style="list-style-type: none"> • A table of penalties for increasingly severe acts of patient abuse related misconduct will be negotiated. • Employees found guilty of patient abuse who are not terminated will not return to the facility where abuse occurred.
<p>Utilization of Workforce Sideletter</p>	<ul style="list-style-type: none"> • A new joint committee will be created to review the State’s utilization of temporary employees, contractors, consultants, employees of public authorities and public benefit corporations, and employees of other non-State entities during the Agreement. The parties will meet and confer on how permanent State employees can be utilized to perform functions currently performed by such employees. 	



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