



# BULLETIN

SEPT. 19, 2016

## **BARGAINING UPDATE: PARTIES REACH TENTATIVE AGREEMENT THAT INCLUDES TWO MORE YEARS OF WAGE INCREASES**

MCO and the Office of the State Employer have reached a Tentative Agreement (TA) that calls for 5% in wage increases over two years and a slight enhancement to health care language.

The TA addresses wages and healthcare in 2017 and 2018. The TA calls for a 3% base increase in October 2017 and a 2% base increase in October 2018. Non-economic provisions were negotiated last fall and run through December 2018. Remember, members will receive a 1% base increase effective this October, as negotiated last year.

You may recall that last fall, the Office of the State Employer (OSE) insisted on a one-year contract on wages and health care due to their uncertainty about the federal excise tax on premium health care plans (known as the Cadillac Tax). The Cadillac Tax effective date has since been postponed.

The MCO Executive Board served as the bargaining team and finalized the TA today. MCO President Tom Tylutki chaired the bargaining team and was assisted by MCO Legal Director Jeff Foldie.

“This is a good agreement,” MCO President Tom Tylutki said. “It takes MCO members forward, not backward. Since this TA does not require higher health care costs, our members should, for the first time in a long time, see their take home income rise in a significant way.”

The TA enhances health care language concerning hearing aids. After the language is added, health care will remain status quo through September 2019.

The 3% and 2% increases are in line with what members requested in MCO’s online bargaining survey. This year, 22% of members took the survey. To those who took the time out of their busy lives for the survey, the MCO Executive Board thanks you.

The TA is subject to member approval. Watch your KYIs, the website, and our Facebook group for more details on contract voting.

If members choose to ratify the agreement, the Civil Service Commission will be asked to approve it at an upcoming meeting.

Thank you, members, for your support.

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