

Jackson County Employee's Association (JCEA) Declares Impasse in the Negotiations of a New Collective Bargaining Agreement

MEDFORD, OREGON — Jackson County has been in ongoing negotiations with the Jackson County Employee's Association (JCEA). The County has worked hard to address the concerns of the JCEA and wants a long-term agreement that reflects the best interest of the employees and the taxpaying citizens of Jackson County. On January 21, 2020, SEIU Local 503, on behalf of JCEA, declared impasse in these negotiations. As required under the Public Employee Collective Bargaining Act, the County submitted its final offer to SEIU Local 503 and the mediator on January 23, 2020.

The parties have already reached consensus on many items like compensation for traveling while attending out of town training, reimbursement for required commercial driver's license costs, and increases in the cost of required boots. However, the County hasn't been able to reach agreement with SEIU Local 503 on outstanding issues such as wages and health insurance coverage for the JCEA employees.

The County's final offer for wages includes a cost of living increase of 3.5% as soon as the agreement is signed by both parties and additional wage increases of 2.0% to 4.0% in each of the next two years depending on the CPI. Eligible employees with anniversaries will also continue to receive merit step increases as well. Some of the newer employees may be looking at up to a 26% increase in wages over the next three years.

The numbers being shared by SEIU Local 503 and JCEA on wages appear to use a comparison of the wages paid by Clackamas, Lane and Marion Counties to the wages paid by Jackson County. The County does not believe that these Counties are the best to compare with Jackson County. The County believes that the other five Counties - Deschutes, Douglas, Linn, Josephine, and Klamath - are more comparable in nature to Jackson County. Currently, the County's overall pay plan is right at the average of these other Counties. Therefore, the County's final offer for the wage adjustments based on CPI is equal to or at a slightly higher percentage than what the other five comparable Counties are going to pay. This will keep the County's pay plan comparable.

The County recognizes that insurance benefits are just as important to most employees as wages. The County's final offer on insurance benefits is to provide all JCEA employees who work at least 30 hours a week the same insurance benefits, at the same out of pocket cost, that the County provides the managers and non-represented employees of the County. These health insurance benefits include a \$750 deductible for individual, copays of \$20 per visit to the doctor, and payment by the County of 90% of the cost of medical care, after the deductible, up to a

maximum annual out of pocket for an individual of only \$2,250 a year. This insurance benefit covers the employee, their spouse or registered domestic partner and any eligible dependents.

In comparison, JCEA currently provides the insurance for the JCEA employees. JCEA selected a health insurance plan for full time JCEA employees which has a \$1,000 deductible for an individual, copays of between \$30 and \$40, only pays 70% of the cost of medical care, after the deductible, and has a maximum annual out of pocket cost for an individual of \$5,000.

Comparing the costs of the County's final offer for insurance benefits to the JCEA employees' current plan - full time JCEA employees would pay \$49.45 a month, the same as management employees pay. Full time JCEA employees are currently contributing \$185.03 a month for the JCEA selected plan. The County's final offer would save JCEA employees \$135.58 a month in contributions over what they are currently paying towards the cost of insurance.

Finally, with regard to insurance benefits, the County's final offer has a way to reduce the out of pocket costs for medical care to the employees that no other proposal provides. Employees will always have access to the doctor of their choice. They may choose to use the County's 'Employer Sponsored Health Clinic' and not have out of pocket deductible or copay costs for doctor visits, medical tests, or stocked prescription drugs. The County implemented this clinic years ago to help reduce the costs of medical care for both employees and the County, and it has a track record of providing outstanding medical and wellness care.

JCEA has continually demanded to have health care for the JCEA employees transitioned to the Oregon Public Employees Benefit Board (PEBB). The County is concerned, based on Oregon health insurance industry research, that the PEBB may not be sustainable as it currently exists. In addition, when hard times have hit the State of Oregon, the Executive and Legislative Branches have used PEBB's reserves to balance the general fund. If PEBB's ability to continue to operate becomes unstable, the State could simply ask for more contributions to make up the losses leaving our tax payers and our employees to pick up the tab. These are issues - because once a county joins PEBB, the county is locked in forever to only offer insurance benefits through a State agency. So, transitioning to PEBB would prevent the County from continuing to innovate when faced with challenges regarding quality of care, risk, or management of unpredictable costs - similar to the current situation with PERS. As such, the County doesn't believe that the long term interests of the employees, the County, or the taxpayers are served by transitioning to PEBB.

The County believes their final offer will provide JCEA employees with benefits and wage increases that are as good - if not better - than employees receive on average overall in Deschutes County, Douglas County, Josephine County, Klamath County, and Linn County. The County will remain an attractive employer that provides high-quality services to its citizens.