

# Negotiations **FAQs**

## Answers to some frequently asked questions about contract negotiations

### Why is Catholic Health proposing to transition associates to a 403(b) retirement plan?

After a close examination of Catholic Health-provided retirement plans, we determined that long-term participation in a 403(b) plan may better position associates for retirement than a pension plan.

Defined contribution (DC) plans like a 403(b) offer numerous benefits over defined benefit plans (a pension). Associates can choose their own investment options and can invest as aggressively or conservatively as they want. Employers also generally match employee savings up to a certain percentage. Employee savings in DC plans are made on a pre-tax basis, reducing employees' income tax liability. Savings in DC plans also is portable, meaning employees can roll over their savings into another retirement account should they leave their employer. Pension plans are entirely controlled by plan administrators and offer none of these benefits.

Depending on the mix of investments that associates choose for their 403(b) account, there is greater potential for growing their retirement fund. In addition to the funds deposited by associates, any contributions made to 403(b) plans would also be matched by Catholic Health (up to 6%).

We understand that determining where and how to invest your money may be concerning or confusing. Catholic Health, along with help from consultants and Fidelity, will be providing several opportunities to help educate our associates on retirement and investment. The education will include a mix of print materials, e-mails, webinars, in-person workshops and 1:1 consultations.

### What does it mean to freeze a pension?

Associates would retain their existing pension benefits. **Any money already accrued in your pension account during your years of service will be untouched and remain in your pension account until you are ready for retirement.** As of 12/31/2021, instead of contributing additional money in the pension plan, Catholic Health would contribute into associates' 403(b) accounts on their behalf. We are simply proposing to begin contributing money into a different type of retirement plan that provides associates with greater control over their retirement savings and more flexibility.

### What are you doing to address the shortage of EVS workers at Mercy Hospital?

We conducted a job fair on June 16 at Mercy Hospital exclusively for EVS positions. We also recruited during the D'Youville College Health Professions Hub neighborhood block party on June 17 and are participating in other local job fairs throughout the community. **As of Tuesday, June 22, three EVS workers were hired and 11 are undergoing reference checks.** Until additional EVS staff can be hired, we are continuing to maintain a clean environment by offering both vacancy bonus pay and overtime pay, where applicable, for workers picking up additional shifts; having management and supervisory personnel temporarily fill vacant EVS positions; and looking at contracting with a commercial cleaning agency for per diem staff.

### How is the hybrid/high deductible health plan affordable for me or my family?

We want to correct misinformation circulating about the hybrid/high deductible plan. The up-front amounts are **NOT** \$6,500/individual and \$13,000/family.

The hybrid/high deductible plan requires participants to pay an annual up-front medical deductible of **up to \$1,500/individual or \$3,000/family** (for in-network providers) or **\$3,000/individual or \$6,000/family (for out-of-network providers)** before the plan begins to cover the cost of eligible medical services.

While a deductible does need to be met under the hybrid plan for certain covered services, the hybrid plan features lower monthly premium costs than a co-pay based medical plan and offers \$0 co-pay/no deductible for the following in-network services:

- Preventive/well visits, including:
  - o Annual Routine Checkup/Well Child Visit
  - o Screenings: Cholesterol, Diabetes, Mammography, High Blood Pressure, Colonoscopy
  - o Immunizations/Flu Shots
  - o Prostate Testing
  - o Routine Gynecological Visit
- Select specialists at approved CH Primary Care and Specialty Centers
- CH Care OnDemand Telehealth visits
- Infusion Therapy at CH outpatient centers

### What happens if new contracts aren't reached by the current contracts' expiration dates?

All six contracts are set to expire on 6/30/21, however, under a Memorandum of Understanding (MOU) between the hospitals and the union, the contracts will be extended to allow more time to reach agreement.

### What is the status of negotiations?

We have been working with the CWA to get closer on a number of proposals. Last week, we worked on attendance, enhanced tuition, preceptor and bereavement, and reached tentative agreement (TA) on tuition assistance. We also presented our overtime proposal, which calls for the standardization of overtime at 37.5 hours. We continue to work with the union to bargain in good faith (presenting proposals, responding to each other's proposals, and working toward consensus) in an effort to reach an agreement that better reflects our current situation and better positions Catholic Health to provide the highest quality care, strengthen our future financial outlook, and offer greater job security to our associates.

There is a scheduled break in bargaining this week. The break was added to the negotiations calendar prior to the start of bargaining to allow both parties an opportunity to recharge and spend time with their families before continuing with the regular schedule for the rest of the summer. The break, in no way, is a reflection on the progress of negotiations.

**Because it's important to have the facts regarding the progress of negotiations, we will share regular FAQs with you. You may visit [www.chsbuffalo.org/negotiations](http://www.chsbuffalo.org/negotiations) at any time for the latest news and information related to bargaining and to review copies of these FAQs and other Negotiation Updates.**