

Memorandum of Agreement

THIS MEMORANDUM OF AGREEMENT ("MOA") is made on the __ day of October 2012, by and between THE WESTCHESTER COUNTY HEALTH CARE CORPORATION, a public benefit corporation of the State of New York ("WCHCC") and THE CIVIL SERVICE EMPLOYEES ASSOCIATION, INC., LOCAL 1000, AFSCME, AFL-CIO for Unit 9201 of THE WESTCHESTER COUNTY LOCAL 860 ("CSEA"):

WHEREAS, the Collective Bargaining Agreement between WCHCC and CSEA ("CBA") expires by its terms on December 31, 2012; and

WHEREAS, except as modified by this MOA, all provisions of the CBA shall remain in full force and effect; and

WHEREAS, the parties have negotiated terms for a successor agreement, subject to ratification by CSEA members and final approval by WCHCC's Board of Directors:

NOW THEREFORE, it is hereby agreed as follows:

Term

1. The term of the successor agreement shall be January 1, 2013 through December 31, 2015.

Wages, Steps, and Longevity Payments

2. 0% increases in wages through December 30, 2015
3. All incumbent and newly hired employees shall have a three year suspension of the current increment step and merit step salary increases. For example, an employee who is now on Step 2 on the current scale with an anniversary date of January 1, 2013, shall not advance to Step 3 until January 1, 2016.
4. Employees entitled to longevity payments under Article IV, Sections 5, shall:
 - (a) not receive any longevity payment due to be paid in December 2013;
 - (b) receive 50% of any longevity payment due to be paid in December 2014; and
 - (c) receive 100% of longevity payments due to be paid in December 2015.
5. Effective January 1, 2016, employees employed by WCHCC as of that date shall be entitled to a 1% lump sum payment.

Health and Post-Retiree Health Benefits

6. Effective January 1, 2013, Article X, Preamble and Section 1 of the CBA, shall be deleted and replaced with language to indicate:

(a) From the period January 1, 2013 through December 31, 2015, all employees eligible for and electing health care coverage shall be required to contribute \$65/month for themselves and \$65 for any covered dependant, with a cap of three dependants (or a total monthly maximum contribution of \$260). Effective January 1, 2016 and annually thereafter, unless a new monthly premium is negotiated, this monthly amount shall increase by the Medical CPI at WCHCC for the prior 12 months. All contributions shall be deducted on a pro-rated basis from the employee's bi-weekly pay on a pre-tax basis so long as such this remains consistent with federal and state tax laws; and

(b) Effective January 1, 2013, the health plan offered by WCHCC to CSEA represented employees and their dependants shall be consistent with the terms and conditions described in Exhibit A, hereto, that is the health plan offered to non-represented and management employees. In addition, The Employer may, in its sole discretion, (i) change plan administrators, and (ii) adopt plan changes that would require an employee to accept a generic drug rather than a brand drug; and (iii) adopt plan design changes that would have no more than a five percent (5%) increase in cost to any CSEA represented employee, so long as such changes are also imposed on non-represented and management employees. Any plan changes anticipated in Paragraph 6(b)(iii) would be discussed with CSEA prior to implementation. Plan design changes shall carry forward into retirement for employees and dependants receiving post-retirement health benefits.

7. Article X of the CBA shall be amended such that:

(i) Effective November 1, 2012, newly hired employees shall not be entitled to post-retirement health benefits;

(ii) Effective March 1, 2013, (a) in addition to all other eligibility requirements provided for by Side Letter attached as Appendix I to the CBA, an employee must be 59 and ½ years of age at the time they retire from WCHCC in order to be eligible for Post-Retirement Health Coverage; and (b) WCHCC shall no longer provide for Part B Medicare reimbursement.

(iii) All employees who retire after March 1, 2013 and elect health benefits coverage for themselves or their dependants will continue to make monthly contributions (a) for themselves at the rate provided for in Paragraph 6, above, and (b) for their dependants at the current retiree rate, but in no circumstances less than the rate set forth in Paragraph 6, above.

Line of Duty Life Insurance

8. Article X, Section 2 of the CBA is amended to, effective January 1, 2013, increase the amount of Line of Duty Life Insurance from \$75,000 to \$100,000

Layoffs and Subcontracting

9. Article XII, Section 9 of the CBA, shall be amended to add a clause providing that for the period starting on the execution date of this MOA - December 30, 2015, WCHCC may not lay off any CSEA represented employee hired prior to November 1, 2012. The term "lay off" is defined as the termination of employment for an employee for purposes of economy, abolition of function, curtailment of activities, outsourcing, or otherwise relating to the finances, budget, or abolition of programs of the WCMC. Termination of employees, if any, shall occur for incompetency or misconduct under the current disciplinary procedure. This clause, including the definition of "lay off" is not subject to any provision of the Taylor Law's Triborough Amendment, and will expire on December 30, 2015, one day prior to the end of this contract term.
10. Article XII, Section 9(2) of the CBA shall be deleted and replaced with the following language: "in the event of any layoff or subcontracting of work, the Corporation will provide the Union with 45-days notice of such layoff or subcontracting of work prior to implementation of the layoff or subcontracting of work. During this 45-day period, the Corporation agrees to be available to meet with the Union to discuss the decision to subcontract work or layoff."

Union Meetings

11. Article XIII of the CBA shall be amended to include a provision that provides that the Union may have access to meeting space on WCHCC's campus for the purpose of communicating with its members on the condition that the Union provides WCHCC with ten (10) days written notice and that contains a statement of assurance that CSEA guarantees the safety of all participants, WCHCC staff, and WCHCC patients,. If CSEA intends on inviting any person not employed by WCHCC or CSEA to appear at such meeting, the names and titles of such individuals shall be provided to WCHCC, and WCHCC reserves the right to deny access to CSEA.

Withdrawal of Pending Grievances, Arbitrations, Improper Practice Charges and EEOC Complaints

12. Effective upon ratification of this MOA, all pending grievances, arbitrations, charges, litigation and other proceedings listed on Exhibit B, hereto, are hereby settled, with prejudice. The Union will send letters within 5 days of after ratification to appropriate

