

RECEIVED

JUN 24 1983

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Petition of

NORTHERN PINES UNIFIED SERVICES CENTER

Decision No. 20216-A

to initiate mediation/arbitration between said petitioner and

NORTHERN PINES UNIFIED SERVICES CENTER EMPLOYEES,
LOCAL 794, WCCME, AFL-CIO

Northern Pines Unified Services Center, hereinafter referred to as the Employer, filed a petition with the Wisconsin Employment Relations Commission, hereinafter referred to as the Commission, wherein it alleged that an impasse existed between it and the Northern Pines Unified Services Center Employees, Local 794, WCCME, AFL-CIO, hereinafter referred to as the Union, in their collective bargaining. It requested the Commission to initiate mediation/arbitration pursuant to Section 111.70(4)(cm)(6) of the Municipal Employment Relations Act and a member of the Commission staff conducted an investigation in the matter and submitted a report of the results. The Employer is a municipal employer maintaining its offices at Cumberland, Wisconsin. The Union is a labor organization maintaining its offices at Rice Lake, Wisconsin. At all times material herein the Union has been the exclusive collective bargaining representative of certain employees of the Employer in a collective bargaining unit consisting of all regular full-time and regular part-time employees including professional employees but excluding managerial, confidential, supervisory employees and psychiatrists. The Employer and the Union have been parties to a collective bargaining agreement covering wages, hours and working conditions of the employees which expired on December 31, 1981. On January 6, 1982 the parties exchanged their initial proposals on matters to be included in the new collective bargaining agreement and the parties met on two occasions in efforts to reach an accord. On April 5, 1982 the Employer filed a petition requesting the Commission to initiate mediation/arbitration pursuant to Section 111.70(4)(cm)(6) of the Municipal Employment Relations Act. On May 12, 1982 a member of the Commission's staff conducted an investigation to determine if the parties were deadlocked in their negotiations. The parties continued to negotiate in an effort to resolve and reduce the number of issues in dispute. On October 29, 1982 the Employer submitted to the investigator its

final offer and on December 21, 1982 the Union submitted its final offer. Thereafter the investigator notified the parties that they were deadlocked in their negotiations and the investigation was closed. The investigator has advised the Commission that the parties remain at impasse.

On January 3, 1983 the Commission ordered mediation/arbitration to be initiated for the purpose of issuing a final and binding award to resolve the impasse existing between the parties and directing the parties to select a mediator/arbitrator and to notify it of the name of the mediator/arbitrator. On January 20, 1983 the Commission was advised that the parties had selected Zel S. Rice II as the mediator/arbitrator and on January 26, 1983 it issued an order appointing him and directed him to endeavor to mediate the issues and dispute and should such endeavor not result in the resolution of the impasse he was directed to issue a final and binding award to resolve the impasse by selecting either the total final offer of the Employer or the total final offer of the Union.

A mediation session was conducted at Cumberland, Wisconsin on March 24, 1983. After several hours of mediation it became apparent that the parties were at impasse on the one remaining issue in dispute. The parties did not mutually agree to modify their final offers and neither of them withdrew their final offer. Accordingly the arbitrator proceeded into the arbitration phase of the mediation/arbitration process and the hearing was concluded that evening. Both of the parties were given an opportunity to present briefs and reply briefs. The reply briefs were submitted to the arbitrator and exchanged on June 3, 1983.

The only issue remaining between the parties is the issue of health insurance. The Employer proposes that effective January 1, 1982 it would contribute on behalf of all eligible employees during the term of the agreement an amount not to exceed \$98.98 per month toward the cost of family coverage or an amount not to exceed \$38.92 per month toward single coverage on behalf of all regular full-time and regular part-time employees. Regular part-time employees would contribute a part of the premium which would be prorated on the basis of time worked during preceding months. Effective October 1, 1982 the Employer would agree to contribute on behalf of all eligible employees during the term of this agreement an amount not to exceed \$121.38 toward the cost of family

coverage or an amount not to exceed \$59.74 toward the cost of single coverage on behalf of all regular full-time and regular part-time employees. Regular part-time employees would contribute a part of the premium which would be prorated on the basis of time worked during the preceding month. In the event the cost of the Blue Cross Co-Pay Plan exceeds those dollar amounts, the Employer would be willing to reopen negotiations limited to the issue of health insurance contribution by it through the term of this agreement. The Union proposes no change from the current coverage and effective September of 1982 the Employer would pay up to \$151.72 for the family premium and up to \$57.54 for the single premium. The Employer would pick up any health insurance premium increase effective in September of 1983 and any such premium increase would be considered as a partial economic increase for a successor agreement effective January 1, 1984. In effect the Union proposes to continue the existing coverage under the existing Blue Cross 2000 Series - Blue Shield SM100 Plan and the Employer would pay the entire premium and any increase that might result during the term of the collective bargaining agreement.

During the first nine months of 1981 the health insurance costs of the bargaining unit were \$76.14 for family coverage and \$29.94 for single coverage. During the last three months of 1981 the family coverage was \$98.98 per month and the single coverage was \$38.92 per month. The annual cost per employee was \$982.20 per year for family coverage and \$386.22 for single coverage. Family coverage was provided for 30 employees and single coverage was provided for 4 employees. The Employer's 1982 final offer would have an annual cost per employee of \$1,254.96 for family coverage and \$529.50 for single coverage. The total cost of the Employer's health insurance proposal for members of the bargaining unit would be \$39,766.80. The Union's final offer would have an annual cost of \$1345.98 for family coverage and \$529.50 for single coverage. The difference between the two proposals is \$2730.60 which is the result of the increase in the rate of the family coverage in the amount of \$30.34 per month for the last three months of the contract year.

The health insurance premiums for the Employer have had a pattern showing substantial increase over the last two years. For the period from October 1st, 1980 to September 30th, 1981 the single premium was \$29.94 per month and the

family premium was \$76.14 per month. On October 1st, 1981 the premiums were increased 30% and the family premium became \$98.98 per month and the single premium became \$38.92 per month. For the period from October 1st, 1982 to September 30th, 1983 there has been an increase in the premiums of 53.49% for the single premium and 53.28% for the family premium, resulting in a monthly cost of \$59.74 for the single coverage and \$151.72 for the family coverage. The Employer proposes to tie its premium contribution to the Co-Pay system where the individuals covered by the insurance pay the first \$100.00 of premium for a maximum of two persons per family per calendar year. After the deductible is met each calendar year, Co-Pay pays for 80% of the next \$2,000.00 in covered health care services for the remainder of the calendar year. After the deductible and 80% of \$2,000.00 in services have been paid Co-Pay pays for 100% of covered services up to a life time maximum of \$1,000,000.00. The premium for the Co-Pay plan is \$44.68 per month for the single premium and \$113.90 per month for the family premium. The basic hospital benefits of the Co-Pay plan are approximately the same except for the deductible and Co-Pay features.

The Employer provides services to Barron County, Burnett County, Polk County, Rusk County and Washburn County and they each pay a percentage of the Employer's operating costs. Those counties comprise Comparable Group A. Barron County is 864 square miles and had a 1980 population of 38,730 people. Burnett County is 840 square miles and had a 1980 population of 12,340. Polk County is 931 square miles and had a 1980 population of 32,351. Rusk County has 906 square miles and had a 1980 population of 15,589 people. Washburn County has 817 square miles and had a 1980 population of 13,174 people. The 1981 equalized valuation of Barron County was \$914,327,444.00 and the equalized valuation rate was \$17.92 per thousand. Burnett County had a 1981 equalized valuation of

premium except for the deputy sheriffs and it paid \$95.00 per month for them. Burnett County had a single premium cost of \$32.90 per month and \$92.94 for a family premium. The County paid all of the health insurance premiums. Polk County had a 1981 health insurance premium of \$45.49 per month for the single person premium and \$129.12 per month for the family premium. The County paid all of the single premium and \$116.21 of the family premium. Rusk County had 1981 health insurance premiums through September 30th of that year of \$43.36 for the single coverage and \$92.67 for the family coverage. The Employer paid all of the premiums. Washburn County had 1981 health insurance premiums of \$49.30 per month for single coverage and \$104.75 for family coverage. The Employer paid all of the single premium and \$94.30 of the family premium. In 1982 Barron County health insurance for its employees cost \$64.65 per month for the single coverage and \$155.05 for the family coverage. The County paid all of the single premium and \$122.00 per month of the family premium. Burnett County had 1982 health insurance costs of \$47.38 per month for single coverage and \$132.94 per month for family coverage. The County paid all of the single coverage and \$125.00 per month of the family premium. Polk County had 1982 health insurance costs of \$60.92 for single coverage and \$174.74 for family coverage. The County paid all of the single premium and \$157.27 per month of the family coverage. Rusk County had 1982 health insurance costs of \$37.30 per month for single coverage and \$108.82 per month for family coverage through September 30th. The County paid all of the premiums. After September 30th the premiums for the various bargaining units in Rusk County ranged from a low of \$48.88 for single coverage and \$108.82 for family coverage to a high of \$49.30 for single coverage and \$129.68 for family coverage. It had a composite premium rate of \$81.04 per month for all of the deputy sheriffs. Rusk County paid all of the health insurance premiums for its employees in 1982. Washburn County had 1982 health insurance costs of \$56.95 for single coverage and \$122.15 for family coverage. The County paid all of the single coverage premium and \$110.00 per month of the family premium.

The 1983 health insurance costs for Barron County are \$70.65 for single coverage and \$171.45 for family coverage. At the time of the hearing the parties had not yet agreed on the amount that would be paid by the Employer.

Burnett County had 1983 health insurance costs of \$47.38 per month for single coverage and \$132.94 for family coverage. The County pays \$41.69 of the single coverage and \$116.90 of the family coverage for highway department employees. It pays \$47.38 per month of the single coverage and \$113.00 per month of the family coverage for the other bargaining units. Polk County has 1983 health insurance costs of \$60.92 for single coverage and \$174.74 for family coverage. At the time of the hearing the parties had not agreed on the amount to be paid by the Employer. Rusk County had 1983 health insurance costs of \$40.88 for single coverage and \$119.26 for family coverage. The deputy sheriffs had one composite premium rate of \$117.54 per month. Rusk County pays all of the health insurance premiums for its employees. Washburn County has 1983 health insurance costs of \$79.65 per month for single coverage and \$173.55 per month for family coverage. It pays all of the premium for single coverage and \$161.39 per month for family coverage.

Barron County labor agreements expressed a 1981 health insurance premium paid by the County in dollar amounts except for the sheriffs department where it agreed to pay 100% of the single premium and \$95.00 per month of the family premium. In 1982 Barron County's contract expressed the health insurance premiums in dollar amounts for the public health agency and the social service department. The courthouse and sheriff's department contracts expressed the Employer's share of the health insurance premiums as 100% of the single coverage and \$122.00 per month of the family coverage. At the time of the hearing no agreement had been reached about the amount of the highway department's health insurance premiums to be paid by the Employer during 1982. Burnett County has a contract with its highway department employees that expressed the 1981 and 1982 health insurance premiums in dollar amounts. The contract with courthouse and social service and law enforcement bargaining unit expressed a 1981 health insurance contributions of the county as 100% of the single coverage premium and \$100.00 per month of the family coverage premium. In 1982 the contract for those bargaining units expressed a single premium as 100% and the family premium as \$125.00 per month. Polk County labor agreements expressed the amounts of health insurance premiums to be paid by the County in 1981 and 1982 as 100% of the single premium and 90% of the family premium. Rusk County labor agreements

expressed the amount of health insurance premiums to be paid by the Employer as 100% in 1981 and 1982 for the highway department and courthouse and social service bargaining units. The amount that the County would pay for the sheriff's department was expressed in a dollar amount both years. In 1981 Washburn County labor agreements with the highway department expressed the amount of premium paid by the County as 100% of the single coverage premium and a dollar amount of the family premium for the highway department and 100% of the premium for the law enforcement department. In 1982 Washburn County contracts with both bargaining units expressed the amount of premium to be paid by the County as 100% of the single coverage premium and \$110.00 per month of the family premium for both bargaining units.

The Employer used another comparison group consisting of Chippewa County, Douglas County, Dunn County, Price County, St. Croix County, Sawyer County and Taylor County, which make up Comparable Group B. Chippewa County has 1018 square miles with a 1980 population of 51,702 people. Douglas County has 1305 square miles with a 1980 population of 44,421 people. Dunn County has 853 square miles with a 1980 population of 34,314 people. Price County has 1260 square miles with a 1980 population of 15,788 people. St. Croix County has 734 square miles with a 1980 population of 43,872 people. Sawyer County has 1259 square miles with a 1980 population of 12,843 people. Taylor County has 975 square miles with a 1980 population of 18,817 people. Chippewa County had a 1981 equalized valuation of \$1,010,592,630.00 with an equalized valuation rate of \$16.82. Douglas County had a 1981 equalized valuation of \$775,089,160.00 with an equalized valuation rate of \$19.64. Dunn County had a 1981 equalized valuation of \$710,252,680.00 with an equalized valuation rate of \$19.04. Price County had a 1981 equalized valuation of \$332,277,800.00 with an equalized valuation rate of \$19.05. St. Croix County had a 1981 equalized valuation of \$1,122,269,690.00 with an equalized valuation rate of \$18.52. Sawyer County had a 1981 equalized valuation of \$435,523,320.00 with an equalized valuation rate of \$16.81. Taylor County had a 1981 equalized valuation of \$377,234,980.00 with an equalized valuation rate of \$17.20.

In 1981 Chippewa County had health insurance premiums of \$44.81 for single coverage and \$109.98 for family coverage. The County paid all of the single

coverage premium and \$82.49 per month of the family premium. Douglas County had health insurance costs in 1981 of \$45.75 per month for single coverage and \$118.87 per month for family coverage. It paid all of the single coverage premium and \$110.00 per month of the family premium. Dunn County had 1981 health insurance costs of \$33.45 for single coverage and \$85.96 for family coverage. It paid all of the single coverage premium and \$72.89 per month of the family coverage. Price County had 1981 health insurance costs of \$32.24 per month for single coverage and \$89.26 per month for family coverage. The County paid \$30.63 per month of the single premium and \$80.33 per month of the family premium. St. Croix County had one composite premium rate in 1981 for all employees and it was \$99.90 per month. The Employer paid \$95.00 of the monthly premium. Sawyer County had 1981 health insurance premiums of \$35.06 per month for single coverage and \$99.46 per month for family coverage. The County paid all of the single premium and \$79.57 per month of the family premium. Taylor County had 1981 health insurance costs of \$57.80 per month for single coverage and \$128.82 per month for family coverage. It paid \$43.35 per month of the single coverage and \$96.62 per month of the family coverage.

In 1982 the single coverage premium for Chippewa County was \$50.76 per month and the family coverage was \$127.38 per month. The County paid the entire single premium and \$101.90 of the family premium. Douglas County had a family coverage premium of \$136.19 per month and the County paid \$125.00. Dunn County had a single coverage premium of \$54.68 per month and a family coverage premium of \$142.72. The County paid the entire single premium and \$139.65 per month of the family premium. Price County had a 1981 health insurance cost of \$44.38 per month for single coverage and \$119.98 for family coverage. The County paid \$42.16 per month of the single coverage premium and \$107.98 of the family coverage premium. St. Croix County had one composite premium rate for health insurance coverage of \$135.08 per month and the County paid \$124.27 per month of the premium. Sawyer County had a single coverage premium of \$55.21 per month and \$156.43 per month for family coverage. The County paid all of the single coverage premium and \$129.84 per month of the family coverage premium. Taylor County had a single coverage premium of \$71.99 per month and a family coverage premium of \$158.03. The County paid \$53.99 per month of the single coverage premium and \$118.52 per month of the family coverage premium.

In 1983 Chippewa County had a single coverage premium of \$66.14 a month and a family coverage premium of \$166.82 per month. The Employer paid the entire single coverage premium and \$133.46 per month of the family coverage premium. Dunn County had a single coverage premium of \$70.82 per month and a family coverage premium of \$183.88 per month. The County paid the entire single coverage premium and \$174.69 per month of the family coverage premium. Price County had a single coverage premium of \$56.74 and a family coverage premium of \$154.84. The County paid \$53.90 per month of the single coverage premium and \$139.36 per month of the family coverage premium. St. Croix County had one composite rate for health insurance during 1983 and it was \$153.18 through February and the County paid \$140.20 per month of that premium. On March 1st of 1983 the composite premium rate was reduced to \$135.08 per month and the County pays \$124.27 per month. Sawyer County had a single coverage premium of \$66.44 and a family coverage of \$189.00 per month. The County pays the entire single coverage premium and \$156.87 per month of the family coverage premium. Taylor County had a 1983 health insurance premium of \$82.24 per month for single coverage and \$180.50 per month for family coverage. The County paid \$61.68 of the single coverage premium and \$135.38 per month of the family coverage premium.

In 1981 and 1982 Chippewa County paid 100% of the single coverage premium. In 1981 it paid 75% of the family coverage premium and in 1982 the County paid 80% of the family coverage premium. Douglas County paid 100% of the single coverage premium in 1981 and 1982. In 1981 the County paid \$110.00 of the family coverage premium and in 1982 it paid \$125.00 per month of the family coverage premium. Dunn County paid 100% of the single coverage premium in 1981 and 1982. The County paid \$20.00 above the 1980 premium rate for family coverages in 1981 and \$10.00 above the 1981 family coverage premium for 1982. Price County paid 95% of the single coverage premium in 1981 and 1982 and 90% of the family coverage premium during those two years. St. Croix County collective bargaining agreements required the Employer to pay a fixed dollar amount of the health insurance contributions. Sawyer County paid 100% of the single coverage premium in 1981 and 1982 and 83% of the family coverage premium in 1981 and 1982. Taylor County paid 75% of the health insurance premiums in 1981 and 1982.

The Employer relies on another comparable group consisting of Unified or Human Service Boards from seventeen counties, which comprise Comparable Group C. Ashland County has 1038 square miles and a 1980 population of 16,783 people. Bayfield County has 1460 square miles and a 1980 population of 13,822 people. Buffalo County has 711 square miles and a 1980 population of 14,309 people. Clark County has 1221 square miles and a 1980 population of 32,910 people. Eau Claire County has 647 square miles and a 1980 population of 78,805 people. Forest County has 1007 square miles and a 1980 population of 9,044 people. Iron County has 747 square miles and a 1980 population of 6,730 people. Jackson County has 997 square miles and a 1980 population of 16,831 people. Langlade County has 856 square miles and a 1980 population of 19,978 people. Lincoln County has 892 square miles and a 1980 population of 26,311 people. Marathon County has 1586 square miles and a 1980 population of 111,270 people. Oneida County has 1,112 square miles and a 1980 population of 31,216 people. Pepin County has 235 square miles and a 1980 population of 7,477 people. Pierce County has 590 square miles and a 1980 population of 31,149 people. Price County has 1260 square miles and a 1980 population of 15,788 people. Trempealeau County has 735 square miles and a 1980 population of 26,158 people. Vilas County has 867 square miles and a 1980 population of 16,535 people. Ashland had a 1981 equalized valuation of \$263,069,400.00 and the equalized valuation rate was \$18.52. Bayfield County had a 1981 equalized valuation of \$425,431,250.00 and an equalized valuation rate of \$16.08. Buffalo County had a 1981 equalized valuation of \$379,428,450.00 and an equalized valuation rate of \$16.06. Clark County had a 1981 equalized valuation of \$741,497,830.00 and an equalized valuation rate of \$17.23. Eau Claire had a 1981 equalized valuation of \$1,474,808,250.00 and an equalized valuation rate of \$19.25. Forest County had a 1981 equalized valuation of \$235,487,800.00 and an equalized valuation rate of \$14.66. Iron County had a 1981 equalized valuation of \$169,073,900.00 and an equalized valuation rate of \$20.34. Jackson County had a 1981 equalized valuation of \$380,062,110.00 and an equalized valuation rate of \$17.95. Langlade County had a 1981 equalized valuation of \$457,920,800.00 and an equalized valuation rate of \$16.36. Lincoln County had a 1981 equalized valuation of \$567,823,900.00 and an equalized valuation rate of \$19.28. Marathon County had a 1981 equalized valuation of \$2,560,011,800.00 and an

equalized valuation rate of \$17.72. Oneida County had a 1981 equalized valuation of \$1,114,308.00 and an equalized valuation rate of \$16.21. Pepin County had a 1981 equalized valuation of \$116,201,400.00 and an equalized valuation rate of \$21.71. Pierce County had a 1981 equalized valuation of \$708,071,550.00. Its equalized valuation rate was \$18.60. Price County had a 1981 equalized valuation of \$332,277,800.00 and an equalized valuation rate of \$19.05. Trempealeau County had an equalized valuation in 1981 of \$549,796,590.00 and an equalized valuation rate of \$18.86. Vilas County had a 1981 equalized valuation of \$1,013,112,700.00 and an equalized valuation rate of \$13.14.

The Unified Service Board of Ashland, Iron and Price Counties had 1981 insurance costs of \$40.00 per month for single coverage and \$115.00 a month for family coverage and the Employer paid the entire cost of the insurance. The Bayfield County Unified Service Board health insurance premiums were \$31.48 per month for single family coverage and \$76.54 per month for family coverage. The Employer paid all of the single coverage premium and \$40.00 of the monthly family coverage premium. The Unified Service Board of Eau Claire County had 1981 health insurance costs during part of the year of \$33.14 per month for single coverage and \$90.86 per month for family coverage. The County paid all of the health insurance premiums for the employees. During the latter part of the year the single coverage premium increased to \$36.90 per month and the family coverage increased to \$100.86 per month. The County continued to pay all of the health insurance premiums for each employee. The Human Service Center for Forest, Oneida and Vilas Counties had single coverage premiums in 1981 of \$40.48 and \$114.34 for family coverage. The Counties paid \$30.36 of the single coverage cost and \$85.76 of the family coverage cost.

The Human Service Board of Marathon, Lincoln and Langlade Counties had 1981 single coverage health insurance costs of \$44.17 a month and \$110.56 per month for family coverage. The Human Service Board paid \$39.75 per month of the single coverage and \$99.50 per month of the family coverage. The Pepin County Human Service Board had health insurance costs in 1981 of \$42.84 per month for single coverage and \$121.02 per month for family coverage. The County agreed to pay up to \$49.98 per month for single coverage and \$90.77 per month for

family coverage. The Pierce County Human Service unit had 1981 health insurance costs of \$31.66 per month for single coverage and \$85.21 for family coverage. The county paid all of the health insurance premiums for its employees during 1981. The Unified Service Board of Trempealeau, Buffalo and Jackson Counties had 1981 health insurance costs of \$39.80 per month for single coverage and \$109.90 for family coverage. The Unified Service Board paid all of the single coverage premium and \$87.92 per month of the family coverage premium.

The Unified Service Board of Ashland, Iron and Price Counties had 1982 health insurance costs of \$49.00 per month for single coverage and \$138.00 per month for family coverage and it paid the entire cost of the health insurance. The Bayfield County Unified Service Board had single coverage health insurance premiums of \$34.20 per month and family coverage premiums of \$84.45 per month. The county paid all of the single coverage premium for its employees and \$76.01 per month of the family coverage. The Clark County Unified Service Board had single coverage premiums of \$30.60 per month and family coverage of \$81.62 per month. The county paid all of the single coverage premium and \$65.30 per month on the family coverage. The Unified Service Board of Eau Claire County has two plans of insurance coverage. One is a Blue Cross Blue Shield and one is a group maintenance plan. One has a single coverage premium of \$45.70 and a family coverage premium of \$125.30. The other has a single coverage premium of \$45.70 per month and a family coverage premium of \$117.00 a month. The Employer paid the entire health insurance premium for single and family coverage during 1982. The Human Service Center for Forest, Oneida and Vilas Counties had health insurance premiums of \$49.20 for single coverage and \$138.66 a month for family coverage. The Service Center paid \$44.28 per month for single coverage and \$124.79 for family coverage. The Human Service Board of Marathon, Lincoln and Langlade Counties had health insurance costs of \$57.14 per month for single coverage and \$140.84 per month for family coverage. The board paid \$51.43 towards the single coverage premium and \$126.76 towards the family coverage premium. The Pepin County Human Service Board had 1982 health insurance costs of \$48.98 for single premium coverage and \$135.20 for family coverage. The county paid all of the single premium coverage and \$108.16 per month of the family coverage premium. The Pierce County Human Service Unit had 1982 health

insurance costs of \$49.54 per month for single coverage and \$134.46 per month for family coverage. The county paid all of the health insurance costs. The Unified Service Board of Trempealeau, Buffalo and Jackson Counties had \$43.80 per month single coverage costs and \$120.90 per month for family coverage. The board paid all of the single coverage premium and \$96.72 per month of the family coverage premium.

In 1983 the Unified Service Board of Ashland, Iron and Price Counties had insurance costs of \$49.00 per month for single coverage and \$138.00 per month for family coverage. The board paid the entire health insurance costs for the employees. The Bayfield County Unified Service Board had 1983 insurance costs of \$41.38 per month for single coverage and \$102.36 per month for family coverage. The county paid all of the single coverage premium and \$92.12 per month toward the family coverage. The Clark County Unified Service Board has 1983 insurance costs for two plans of insurance coverage. One plan has a single premium cost of \$42.48 per month and family coverage of \$111.00 per month. The other plan has a single coverage premium of \$79.84 per month for the single coverage and \$175.66 per month for the family coverage. The parties have not reached agreement on the amount of the insurance premium to be paid by the county but the employees seek to have the county pay it all and the county wants the employees to pay part of the family coverage. The Unified Service Board of Eau Claire County has two plans of insurance coverage. One plan has a single coverage premium of \$55.67 per month and a family premium of \$155.38 per month. The other plan has a single coverage premium of \$55.00 per month and a family coverage premium of \$139.00 per month. The county pays the entire cost of the health insurance premium. The Human Service Center for Forest, Oneida and Vilas Counties has 1983 health insurance costs of \$64.24 for single coverage and \$177.82 for family coverage. The center pays \$57.82 per month of the single coverage premium and \$160.04 per month of the family coverage premium. The Human Service Board of Marathon, Lincoln and Langlade Counties has 1983 health insurance costs of \$67.38 per month for single coverage and \$165.10 a month for family coverage. The board pays \$60.64 per month of the single coverage premium and \$148.59 per month of the family coverage premium. The Pepin County Human Service Board has 1983 health insurance costs of \$63.32 for single coverage and

\$174.20 per month for family coverage. The county pays all of the single coverage premium and \$139.36 per month of the family coverage premium. The Pierce County Human Service unit has health insurance costs for 1983 of \$55.88 for single coverage and \$152.24 for family coverage. The county pays the entire health insurance premium for all employees. The Unified Service Board of Trempealeau, Buffalo and Jackson Counties has 1983 health insurance costs of \$69.00 per month for single coverage and \$181.00 per month for family coverage. The board pays all of the single coverage premium and \$144.80 towards the family coverage premium.

Health insurance costs rose substantially during 1982 although the U.S. Consumer Price Index rate of increase declined. The inflation rate for medical care increased 11% during 1982 while the Consumer Price Index increased at a declining rate and the overall increase was less than 4%. The Consumer Price Index increase for 1982 was half of the rate of increase for 1981 but there was no similar decline in the rate of increase of health costs.

A variety of efforts are being undertaken in order to reduce the rate of increase of medical costs. Among those contemplated by a number of employers is cost sharing by employees. Other programs are designed to make employees familiar with plan provisions and to motivate them to join in cost containment efforts. Some governmental agencies are instituting co-payments for mandatory services offered under Medicaid.

Barron County increased its tax levies from 1982 to 1983 by \$230,852.00 or 9.7%. Burnett County increased its levies for 1983 by \$281,176.00 or 20.7%. Polk County decreased its 1983 tax levies by \$142,833.00 or 5.3%. Rusk County decreased its 1983 tax levies by \$84,204.00 or 5%. Washburn County decreased its 1983 tax levies by \$124,297.00 or 7.8%.

From October 1st, 1981 to September 30th, 1982 family health insurance coverage for this bargaining unit cost \$98.98 a month or 61¢ an hour and was fully paid by the Employer. From October 1st, 1982 to September 30th, 1983 the same coverage will cost \$151.72 a month for family coverage or 93¢ an hour. Under the Union's proposal the Employer would pay the full amount while under the Employer's proposal it would pay only \$121.38 a month or 75¢ an hour.

Health insurance premiums for the period from October 1st, 1983 to December 31st, 1983 are unknown but may very well increase. The effect of the Employer's proposal would be to erode the actual spendable wages that will be received by the employees as a result of the agreed upon wage increase. During the year following December 31st, 1981 the average wage paid by the Employer to members of this bargaining unit was \$7.064 per hour. The Employer paid the full cost of the health insurance premium and the employee had an effective annual wage of \$7.064. In the year following December 31st, 1982 the average wage paid by the Employer to members of this bargaining unit was \$7.446 per hour. Under the Employer's proposal it would contribute 75¢ an hour towards the family coverage and the employee would be required to contribute 18¢ an hour. This would reduce the effective average wage received by the Employer to \$7.332 per hour. The wage increase agreed upon for 1983 would result in an average wage per employee of \$8.166 per hour. Under the Employer's proposal it would contribute 75¢ an hour towards the family insurance coverage and the employee would contribute 18¢. As a result the employees effective average wage would be \$8.044. The average hourly wage increase from 1981 to 1982 increases by 5.4% but the effective average wage for all employees increases by 3.8% during this same period. The impact is even greater on employees in the lower third of the wage scale. Their effective average wage would only increase by 2.7% from 1981 to 1982. The impact of the Employer's proposal that employees be required to contribute towards the health insurance premium is to reduce the negotiated 6% general wage increase to something less than 6% and has the greatest impact on employees in the lower third of the wage scale.

During 1981 Barron County paid up to \$85.00 per month toward the single family plan health insurance premium for employees. In 1982 Barron County increased that amount to \$122.00 per month. In 1981 Burnett County paid \$100.00 per month toward the family coverage health insurance premium for courthouse and social service employees. In 1982 that amount was increased to \$125.00 a month. In 1981 Polk County paid 90% of the family health insurance premium for its employees and in 1982 it continued to pay 90% of the family health insurance premium. In 1981 Rusk County paid 100% of the health insurance premium for its courthouse and social service employees and it continued to pay 100% of the pre-

mium in 1982. Rusk County has agreed to pay 100% of the health insurance premiums for its courthouse and social service employees for 1983 and 1984.

The parties have agreed to all other items for a 1982-83 contract except for the amount that the Employer will contribute towards the health insurance. In the past the Employer has contributed 100% of the health insurance premiums for both the single coverage and the family coverage, although it was expressed as a dollar amount. This bargaining unit has a salary schedule unlike other county employee contracts. Its schedule is somewhat comparable to the salary grids found in teachers contracts and calls for step increments following probation, the second year, third year, fourth year, fifth year, sixth year, ninth year and twelfth year of service. The parties have agreed that effective January 1, 1982 the Employer will pay an amount not to exceed \$98.98 per month toward the cost of family coverage and \$38.92 toward the cost of single coverage for health insurance. These dollar amounts represent full payment of the monthly health insurance premiums for the period from January through September 1982. A dispute is over the Employer's contribution to family health insurance premium costs for the period of October 1st, 1982 through December 31st, 1983.

Effective October 1st, 1982 the Employer is proposing to pay an amount not to exceed \$121.38 per month toward the cost of family coverage for health insurance and an amount not to exceed \$59.74 per month toward the cost of single coverage. If the existing policy is maintained these dollar amounts represent full payment of the monthly premium for single health insurance coverage and 80% of the monthly premium for family health insurance coverage for the insurance contract year of October 1st, 1982 to December 30th, 1983. The employees with family coverage would be required to contribute \$30.34 per month toward the cost of their health insurance coverage during that insurance contract period. If on October 1st, 1983 the premium cost of the Blue Cross Co-Pay health insurance plan exceeds the \$121.38 monthly contribution set out in the Employer's offer, it agrees to reopen negotiations solely on the issue of the dollar amounts it contributes for health insurance coverage. The Blue Cross Co-Pay plan is the insurance coverage carried by all non-unit employees of the Employer and it has been offered to the Union. The current cost of family coverage under the Blue Cross Co-Pay Plan is \$113.90 or \$7.48 less than the dollar contribution being

proposed by the Employer.

The Union in its final offer demands that the Employer absorb the 53% health insurance cost increase and pay the full cost of health insurance for single and family coverage. The language proposed by the Union would require the Employer to assume payments of all premium increases effective in October 1983 and it would consider any dollar increase as a partial economic increase for the 1984 negotiations.

The Employer is a unique municipal employer. Five counties contract with it for its services. These counties are Barron, Burnett, Polk, Rusk and Washburn and all five of them contribute towards the funding of the Employer on a prorated basis. Each county's share is based on its population.

Barron County had 1982 monthly health insurance premiums of \$155.05 for family coverage and \$64.65 for single coverage. The county paid \$122.00 per month or 79% of the family coverage premium and 100% of the single coverage. The 1983 Barron County health insurance premiums were \$171.45 per month for family coverage and \$70.65 for single coverage. The county pays \$122.00 or 71% of the family coverage and 100% of the single coverage. It has frozen its premium contributions at 1982 levels until the 1983 contract is settled. The 1982-1983 increase in monthly premium rates for Barron County is \$16.40 or 11% for family coverage and \$6.00 or 9% for single coverage. Barron County gave a 1982 wage increase of 8.5% and the 1983 wage increase has not been agreed upon. The insurance cost for Barron County in 1982 was \$1.02 per hour and in 1983 it is \$1.13 per hour. Burnett County had 1982 monthly health insurance premiums of \$126.90 for family coverage and \$41.14 for single coverage. The county paid \$125.00 or 99% of the family coverage and all of the single coverage. In 1983 Burnett County has health insurance costs of \$151.90 per month for family coverage and \$57.06 for single coverage. The county pays \$129.12 or 85% of the monthly costs of the family coverage and 100% of the single coverage in 1983. The increase in the monthly premium rate for family coverage in 1983 over 1982 is \$25.00 or 20% for family coverage and \$15.92 or 39% for single coverage. The county has increased its contribution toward the family coverage in 1983 by \$4.12 per month or 3% and by \$15.92 or 39% for family coverage. Burnett County

gave 1982 wage increases of 6% on January 1st and 3% on July 1st. In 1983 it gave wage increases of 6% on January 1st, 2% on July 1st and an additional 1% on December 1st. In 1982 the health insurance costs of the county were 78¢ per hour and the county paid 77¢ of that amount. In 1983 the health insurance costs were 93¢ per hour and the Employer paid 79¢ of it. Polk County had 1982 health insurance premiums of \$129.12 for family coverage and \$45.49 for single coverage. The county paid \$116.21 per month or 90% of the family coverage and 100% of the single coverage. In 1983 Polk County had health insurance costs of \$174.74 per month for family coverage and \$60.92 per month for single coverage. The county paid \$157.27 per month or 90% of the family coverage and 100% of the single coverage in 1983. The cost of the family coverage in Polk County increased by \$45.62 per month or 35% and by \$15.43 per month or 34% for the single coverage. The county contribution in 1983 increased by \$41.06 per month or 35% for family coverage and \$15.43 or 34% for single coverage. Polk County gave an 8.25% wage increase to its employees in 1982 and it has not yet agreed upon a wage increase for 1983. The health insurance costs for 1982 were 79¢ an hour and the county contributed 72¢ of that cost. The 1983 premiums amount to \$1.08 per hour and the county contributes 97¢ of it. Rusk County had 1982 monthly premiums for health insurance of \$108.82 for family coverage and \$41.26 for single coverage and the county paid all of it. In 1983 the Rusk County health insurance costs are \$119.26 per month for family coverage and \$40.88 for single coverage and the county pays the entire premium. The health insurance costs for Rusk County increased by \$10.44 or 10% in 1983 for family coverage and 38¢ or 1% for single coverage. The Employer pays all of the increase. Rusk County gave its employees a 12% salary increase in 1982 and a 3% increase on January 1, 1983 and an additional 5% on July 1, 1983. Its health insurance premiums were 65¢ an hour in 1982 and 71¢ an hour in 1983 and the county pays all of those premiums. Washburn County had 1982 health insurance premiums of \$122.15 a month for family coverage and \$56.95 for single coverage. The county paid \$110.00 per month or 90% of the family coverage and 100% of the single coverage. In 1983 Washburn County has monthly health insurance premiums for family coverage of \$173.55 per month and \$79.65 per month for single coverage. The county pays \$161.39 per month of the family coverage or 93% and \$79.65 per month of the single coverage or 100%. The 1983 increase in the premium for

family coverage increased by \$51.40 or 42% and the single coverage cost increased by \$22.70 or 40%. The county paid the entire increase in cost. Washburn County gave its employees 1982 wage increases ranging from 7.7% to 10%. It has not yet agreed upon a 1983 wage increase. The 1982 health insurance premiums of Washburn County amounted to 75¢ per hour and the Employer contributed 68¢ per hour. The 1983 health insurance premiums costs \$1.07 per employee per hour and the county contributes 99¢ of it. The Employer had 1982 health insurance costs of \$98.98 for family coverage and \$38.92 for single coverage and it paid 100% of the premium. The 1983 health insurance costs are \$151.72 per month for family coverage and \$54.54 per month for single coverage. The increase in the premium is \$52.74 or 53% for the family coverage and \$15.62 per month or 40% for the single coverage. The Employer gave 6% wage increases in 1982 and 6% wage increases in 1983. The 1982 health insurance premiums cost 61¢ an hour and the Employer paid all of it. The 1983 health insurance premiums of the Employer cost 93¢ per hour per employee. The Union would have the Employer contribute 93¢ per hour towards the health insurance premiums while the Employer proposes to limit its contribution to 75¢ per hour.

DISCUSSION:

The Employer relies upon three separate comparable groups. One comparable group consists of the five counties that contract with the Employer for its services. In addition to the geographical attachment of these five counties to the Employer, there is a well established, historical "community of interest" in the five counties. The employees of the Employer live and work in the five counties and the taxpayers of those counties are the taxpayers that support the operation of the Employer. The Union agrees that Comparable Group A is a proper comparison group and contend that it is the only one on which the arbitrator should rely. The Employer seeks to utilize Comparable Groups B and C as comparison groups. Comparable Group B consists of all counties that are directly contiguous to Comparable Group A. The Employer would also rely on Comparable Group C which consists of all of the human and unified service agencies located in Northern Wisconsin. It seeks to compare employees of the Employer with employees of other unified services agency employees in Northern Wisconsin. The Union objects to the consideration of Comparable Groups B and C because they

make no financial contribution to the operation of the Employer and they have no community of interest. It points out that the geographical attachment is limited and the employees and taxpayers of the counties in Comparable Group A are not related to nor do they have any interdependence with any of the communities included in Comparable Groups B and C. The arbitrator agrees with the Employer and the Union that Comparable Group A is the most appropriate comparison group and the one upon which he will rely for purposes of comparison. Comparable Groups B and C are not completely inappropriate, but each of them has some flaws that limit their validity as a comparison group. If Comparable Group A was not so appropriate and all inclusive of the communities with a community of interest as well as a geographical attachment to the Employer, the arbitrator would be inclined to give weight to comparisons with Comparable Groups B and C. In this situation comparisons with Comparable Group A are sufficient.

Section 111.70(4)(cm)7 of the Wisconsin Statutes sets forth the factors to be considered by an arbitrator in making any decisions under the arbitration procedure involved in a mediation/arbitration proceeding. He is required to give weight to the lawful authority of the Employer; the stipulations of the parties; the interests and welfare of the public and the financial ability of the governmental unit to meet the cost of the proposed settlement; comparisons of wages, hours and conditions of employment of the employees involved in the proceedings with wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public employment in the same community and in comparable communities; the average consumer prices for goods and services; the overall compensation received by the employees; changes in circumstances and such other factors which are normally considered in the determination of wages, hours and conditions of employment. There seems to be no issue in the instant proceeding regarding the lawful authority of the Employer to meet the offer of the Union or the Employer and based upon the evidence presented the arbitrator makes such a finding. Neither of the parties raised an issue regarding the stipulations entered into by the parties and the arbitrator finds that they do not have any impact on his decision except as hereinafter mentioned. No comment was made at the hearing by the Employer regarding its ability to meet the cost of the proposed settlement.

While it has pointed out that there has been a loss of state aids and an increase in the cost of health insurance, the evidence indicates that three of the six counties in Comparable Group A were able to reduce their property tax levies for 1983. The arbitrator finds that the Employer has the ability to meet the costs of either proposed settlement. The Union points out that wage rates and other compensation made to this bargaining unit have not kept pace with the inflation spiral. The wage given to the employees represented by the Union have been somewhat lower than the increases given to employees performing similar types of services for the communities in Comparable Group A. The Employer has paid its employees less than the employees of the other communities in Comparable Group A when all employee costs including the full cost of the health insurance are considered.

The Employer has always paid the full cost of the health insurance for the employees in this bargaining unit and that has been a factor in maintaining the overall compensation of its employees close to the same level of those employees performing similar services for other communities in Comparable Group A. The Employer's final offer changes the status quo by proposing a dollar amount that is substantially less than the total cost of the health insurance and it also proposes to tie its contribution towards the health insurance premium to the cost of a Co-Pay plan as opposed to a plan providing for full payment of the cost of benefits by the insurer. In 1982 the Employer paid 100% of the health insurance premiums for its employees and Rusk County did too. Burnett County paid 100% of the single premium and 99% of the family premium. Barron County, Polk County and Washburn County paid 79%, 90% and 90% respectively of the family coverage premiums. However all of the counties in Comparable Group A paid a larger dollar figure towards health insurance premiums during 1982 than the Employer did. Barron County paid \$122.00 per month towards the family coverage premium, Burnett County paid \$125.00 a month, Polk County paid \$116.21 per month, Rusk County paid \$108.82 per month and Washburn County paid \$110.00 per month while the Employer only paid \$98.98. In 1983 only Rusk County has agreed to pay 100% of the family insurance coverage. Barron County paid 100% of the family coverage premium in 1982 but it has frozen its premium contributions at the 1982 level until the 1983 contract is settled. As a result it still contri-

butes \$122.00 per month towards the family coverage premium. Burnett County has increased its premium contribution to \$129.12 per month for the family coverage which is 85% of the total premium. Polk County pays \$157.27 per month towards the family coverage and that is 90% of the premium. Rusk County has a monthly premium of \$119.26 per month for family coverage and it pays 100% of it. Washburn County pays \$161.39 per month towards the family coverage and that represents 93% of the premium. The Union asked that the Employer pay \$157.72 per month towards the family premium which is 100% of the cost of coverage. That premium contribution would be substantially higher than the health insurance contributions made by Barron County, Burnett County and Rusk County (even though Rusk County pays 100% of the premium) but it is about the same as that paid by Polk County which only contributes 90% of the premium and is less than that paid by Washburn County which contributes 93% of the premium. If the Employer's proposal is selected it would only pay \$121.38 per month towards the family coverage which would be 80% of the premium. That amount would be less than paid by any of the counties in Comparable Group A except for Rusk County and it pays 100% of the premium. Even in 1982 when the Employer paid 100% of the premium on the family coverage it made a lower contribution towards health insurance premiums each month than any of the communities in Comparable Group A. The Employer had a wage increase in 1982 that was 2 1/2% lower than Barron County, almost 6% lower than Burnett County, 2.25% lower than Polk County, 6% lower than Rusk County and averaged 2% plus lower than Washburn County. The Employer's insurance costs expressed in cents per hour was considerably lower than any of the other communities in Comparable Group A during 1982. It was 41¢ per hour lower than the Barron County Department of Social Services, 18¢ per hour lower than the Polk County Department of Social Services, 4¢ per hour lower than the Rusk County Department of Social Services and 14¢ per hour lower than Washburn County. Even with the premium increase in October of 1982 and continuing into the first nine months of 1983 the Employer's family coverage cost was 20¢ per hour lower than Barron County, the same as Burnett County, 15¢ lower than Polk County and 14¢ per hour lower than Washburn County. In view of these figures the Employer has traditionally been paying substantially less towards health insurance costs for its employees than the other communities in Comparable Group A. It could be expected to make contributions towards health insurance coverage

comparable to contributions by other communities in Comparable Group A. This is particularly true when wage increases given to its employees have followed a pattern of being somewhat lower than that given by other employers in Comparable Group A.

The Employer argues that its percentage increase in rates for health insurance premiums from 1981 through 1983 was higher than the percentage increases experienced for the same period of time by all except one of the Employers in the three comparable groups on which it relies. There is no question that the Employer's percentage increase in health insurance costs has increased more than that of most other communities in Comparable Group A. However its actual cost in dollars, which is the way it has chosen to define the amount of money it paid in the past and the way it chooses to define it now, has traditionally been substantially lower than that of other employers in Comparable Group A. If its proposal was accepted it would continue to pay substantially less towards the family health insurance premium of its employees than any other employer in Comparable Group A. If the Union's proposal is accepted, the Employer would pay about the same as two of the five communities in Comparable Group A. In 1980 the Employer paid less per employee hour worked towards health insurance than any other community in Comparable Group A. Barron County paid \$1.02 per hour for family coverage and 80¢ per hour for single coverage. Burnett County paid 78¢ an hour for family coverage and 70¢ an hour for single coverage. Polk County paid 79¢ per hour for family coverage and 72¢ per hour for single coverage. Rusk County paid 65¢ an hour for family coverage and 65¢ an hour for single coverage. Washburn County paid 75¢ an hour for family coverage and 68¢ an hour for single coverage. The Employer was paying 61¢ an hour for family coverage and 61¢ an hour for single coverage. Even with a substantial percentage increase in the amount of premiums for 1983 the Employer pays less per employee hour worked for health insurance than all but one of the communities in Comparable Group A. Barron County paid \$1.13 per hour for family coverage and 80¢ an hour for single coverage. Burnett County paid 93¢ an hour for family coverage and 79¢ an hour for single coverage. Polk County pays \$1.08 an hour for family coverage and 97¢ an hour for single coverage. Rusk County pays 71¢ an hour for both family and single coverage.

Washburn County pays \$1.07 an hour for family coverage and 99¢ an hour for single coverage. Under the Union's proposal the Employer would pay 93¢ an hour for family coverage and 93¢ an hour for single coverage while under the Employer's proposal the cost would be 93¢ an hour for family coverage and 75¢ an hour for single coverage. The Employer points out that most of the employees in the comparable groups on which it relies contribute more towards the cost of family health insurance coverage than its employees do. What it neglects to point out is that most of the employers contribute more towards family coverage for their employees than it does. There is no reason why the Employer should expect to pay a lower amount for health insurance coverage than other communities in Comparable Group A or in fact any of the other comparable groups on which it relies.

The arbitrator is sympathetic with the Employer's attempt to get a handle on the spiralling costs of health insurance. Contribution towards part of the premium by the employees is a possible way of contributing towards this goal. However employees should not be required to contribute towards the premium in order to enable the Employer to make a lower contribution towards health insurance in terms of dollars than other communities in the comparable group. This is particularly true when the employees overall compensation is less than that paid to employees doing similar work for communities in the comparable group.

The Employer makes the argument that a clear majority of all of the comparable communities required employee contributions for payment of family health insurance premiums. It suggests that its 80%-20% premium sharing proposal which calls for a 22% increase by it over the dollar amount which it contributed during 1982 provides for an equitable sharing of the vastly increased cost of the health insurance premium. The arbitrator would be impressed by such an argument if the Employer had been making a dollar contribution toward the costs of health insurance that was equal to that of communities in the comparable group. However the Employer has been paying less. Its proposal would permit it to continue to pay a smaller dollar figure toward the cost of health insurance than all but one community in Comparable Group A and that one pays 100% of the cost of insurance for both single and family coverage. The Employer's cost of

insurance per employee hour worked is lower than all of the communities in Comparable Group A except the one county which pays 100% of the insurance for both single and family coverage.

The Employer argues that total compensation analyses are not valid when health insurance is the sole issue in contention in an arbitration. While that position may have validity in some situations, it is not the case here where the Union argues that it has historically agreed to accept a lower wage increase in order to obtain full payment of the cost of health insurance. The Employer contends that the Union has utilized inappropriate wage comparisons because social services and unified service employees do not perform sufficiently similar tasks to be a basis for a wage comparison. The Union points out the difference in the percentage increases given by the Employer to its Unified Services employees and compares it to the percentage increases given to social service employees in the counties served by the Employer. While it may be true that unified services employees do not perform sufficiently similar tasks to be a basis for direct wage comparisons there is no reason why the percentage increase given to social services employees should differ from that given to unified service agency employees in the absence of unusual circumstances.

The Employer takes the position that the wage analyses in the Union's exhibits do not take into account the incremental movement through the grid of the Employer's salary schedule. The fact is that the exhibits submitted by the Union do reflect the movement of the employees through the step system. The exhibits support the Union's contention that the Employer's proposal would result in an erosion of the spendable income for the lower paid employees because a substantial amount of their wage increase would be utilized to pay for the increase in the cost of the health insurance. The Employer's proposal would reduce the negotiated 6 percent general wage increase for 1982 and 1983 to something less than 6 percent in spendable income and would have the greatest impact on employees in the lower third of the wage scale.

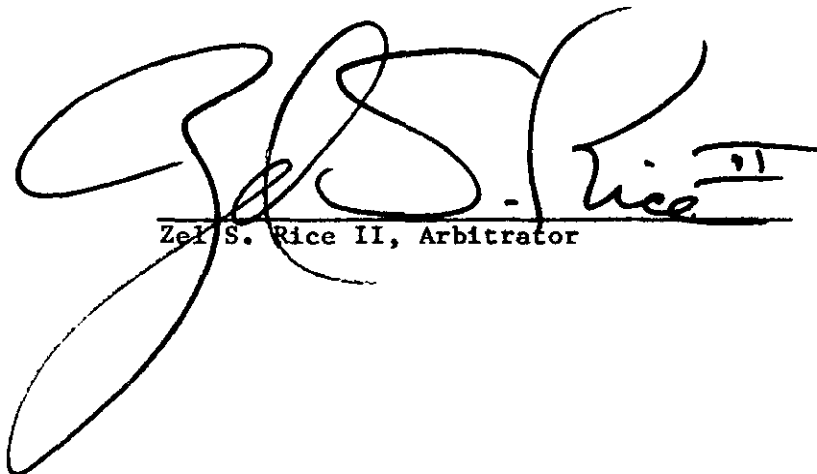
The Employer states in its brief that it sought to implement cost containment measures while continuing full payment of the family health insurance premium by switching to Blue Cross Co-Pay Insurance Plan. That plan would call for

cost sharing of medical services utilized by the employees and their families while providing full protection against health catastrophe which cost more than \$2,000.00. The arbitrator is of the opinion that a co-pay insurance plan might result in some cost containment. He is not convinced that the employee contributions to the payment of the premiums would necessarily result in cost containment. Either employee contribution towards the family health insurance premium or co-pay insurance is a substantial departure from the practice that has been followed by the Employer and the Union in the previous agreements. The arbitrator is not inclined to select a proposal that will result in a substantial change in the insurance arrangement between the Employer and the Union and permits the Employer to continue to make a smaller contribution towards the cost of health insurance than most other communities in the comparable groups while the employees accept a lower overall compensation than most similar employees in the comparable group.

FINDINGS AND AWARD

After full consideration of the criteria listed in the statute and after careful and extensive examination of the exhibits and arguments of the parties, the arbitrator finds that the Union's final offer attached hereto and marked Exhibit "A" is more appropriate than that of the Employer and orders the Union's proposal to be incorporated into an agreement containing the other items to which the parties have agreed.

Dated at Sparta, Wisconsin, this 21st day of June, 1983.



Zel S. Rice II, Arbitrator

EXHIBIT "A"

DEC 21 1982

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

UNION

FINAL OFFER

NORTHERN PINES UNIFIED SERVICES EMPLOYEES
LOCAL #794, AFSCME, AFL-CIO

1982-83 CONTRACT

- 1.) HEALTH INSURANCE: (Note: Employer's proposal to change coverage to Blue Cross Co-pay Plan from Blue Cross 2000 Series -Blue Shield SM-100 Plan is REJECTED.)

The Union proposes no change from the current plan (coverage), and effective September, 1982, the Employer pay up to one-hundred and fifty-one dollars and seventy-two cents (\$151.72) for the family premium; and up to fifty-seven dollars and fifty-four cents (\$57.54) for the single premium. The Employer agrees to pick up any health insurance premium increase, if any, effective September of 1983. Any such premium increase shall be considered as a partial economic increase for a successor Agreement effective January 1, 1984.

EXHIBIT "B"

FINAL OFFER NORTHERN PINES UNIFIED SERVICES

12/29/82

1. Amend Article XXIII, Insurance, by revising Section 1 to read as follows:

Effective January 1, 1982, the Employer agrees to contribute on behalf of all eligible employees during the term of this agreement, an amount not to exceed Ninety-Eight Dollars and Ninety-Eight Cents (\$98.98) per month toward the cost of family coverage or an amount not to exceed Thirty-Eight Dollars and Ninety-Two Cents (\$38.92) per month toward the single coverage on behalf of all regular full-time and regular part-time employees. Regular part-time employees will contribute a part of the premium which shall be prorated on the basis of time worked during the preceding month.

Effective October 1, 1982, the Employer agrees to contribute on behalf of all eligible employees during the term of this agreement, an amount not to exceed One Hundred Twenty-One Dollars and Thirty-Eight Cents (\$121.38) toward the cost of family coverage or an amount not to exceed Fifty-Nine Dollars and Seventy-Four Cents (\$59.74) toward the cost of single coverage on behalf of all regular full-time and regular part-time employees. Regular part-time employees will contribute a part of the premium which shall be prorated on the basis of time worked during the preceding month.

In the event the cost of the Blue Cross Co-Pay plan exceeds these dollar amounts, the Center is willing to reopen negotiations limited to the issue of health insurance contributions by the Employer through the term of this agreement.

⑤ 10/20/82