

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

: :
In the Matter of the Petition of : :
: :
GREEN COUNTY HUMAN SERVICES EMPLOYEES : :
Local 1162-A, AFSCME, AFL-CIO :Case 113
:No. 45211 INT/ARB-5920
To Initiate Arbitration :Decision No. 26993-A
Between Said Petitioner and : :
: :
GREEN COUNTY (Human Services : :
Department) : :

Appearances:

Green County Human Services Employees Local
1162-A, AFSCME, AFL-CIO by Mr. Thomas Larsen,
Staff Representative, Wisconsin Council 40.

Green County (Human Services Department) by DeWitt,
Porter, Huggett, Schumacher & Morgan, S.C.
Attorneys, by Howard Goldberg, Esq.

ARBITRATION AWARD

Green County Human Services Employees Local 1162-A, AFSCME, AFL-CIO (Union) filed a petition with the Wisconsin Employment Relations Commission, on January 30, 1991, wherein it requested the Commission to initiate arbitration pursuant to Sec. 111.70(4) of the Municipal Employment Relations Act. The Commission caused an investigation to be conducted between June 10, and the time that the parties submitted their final offers on, August 23, 1991, at which time an impasse was declared. On September 17, 1991, the undersigned was appointed to arbitrate the dispute.

The arbitration hearing was conducted on December 3, 1991, at the Green County Courthouse in Monroe, Wisconsin. Both parties submitted a series of exhibits and sworn testimony into

evidence. No transcript of the oral testimony was requested. The record was closed at the conclusion of the hearing. Initial briefs were exchanged through the Arbitrator on January 10, and reply briefs were exchanged on January 27, 1992.

DISPUTED ISSUES

The previous two year agreement expired on June 30, 1990. Both final offers would extend that agreement, with stipulated modifications, to June 30, 1992. The two offers differ in three ways: wages, health insurance and employer contributions to the Wisconsin Retirement System. In reality there is only one seriously disputed issue, that is employee contributions for health care costs and health insurance premiums. The Employer has proposed across the board wage increases of 4.25% on July 1, 1990 and 6% on July 1, 1991. The Union proposed across the board increases of 3% July 1, 1990, 2% January 1, 1991, 3% July 1, 1991 and 2% on January 1, 1992. The employer's two year 10.25% wage offer would cost .013% per year more than the Union's 10% two year offer. The Employer's offer provides approximately \$19,000 more in wages over the term of this contract. That offer also provides .25% more lift. The Employer's wage offer is more generous than the Union's request.

The Employer formerly paid the Employee's entire 6% contribution toward the Wisconsin Retirement Fund. The Union proposed that the Employer should pick up the 1991 increase to 6.1%. The parties agreed that this disagreement should not determine the outcome of these proceedings.

The issue in dispute is responsibility for the payment of health care costs and health insurance premiums. Generally both offers would extend health benefits currently provided. The Union offer specifies that coverage must be changed to the "Care Share" plan, and would require the employer to increase its contributions to pay 100% of the premium cost. Under the expired contract the County paid 90% of the cost of a self funded plan. The Employer proposes to "implement a new health insurance plan which would be the equivalent of the Care Share plan." This offer would impose annual deductible, not previously required, of \$150 for single coverage, two \$150 deductibles for two person family coverage and three \$150 deductibles for family coverage of three or more persons.

THE UNION'S ARGUMENT

The Union said that it had proposed to implement health insurance changes effective January 1, 1992. Those changes would be in effect only the last 6 months of this 2 year contract period. It argued that the employer's offer would retroactively impose deductibles over three time periods, being the last quarter of 1990, all of 1991 and all of 1992. This could result in possible family deductible expenses of up to \$900 in addition to co-payments over the term of the contract. The Union argued that its offer which would only subject employees to one deductible was modeled after an offer which had been favored by an arbitrator in a recent Green County proceeding. It compared the Employer's offer in this proceeding with its offer to

Sheriff's Department employees for the period July 1, 1989 through June 30, 1991. Because the employees in this proceeding have lower base wages than Sheriff's Department employees, the percent increase offered in this case is lower in real dollar terms. The offer is not sufficient to constitute a quid pro quo for increased insurance deductibles. It made other comparisons between the employer's earlier offer to the Sheriff's Department and its offer in this proceeding and concluded that the offer in this proceeding is not as generous as the earlier offer. The Union argued that both wage offers in this proceeding were about the same. Because the employer is proposing to buy out a benefit in this proceeding (impose deductibles) it must replace that benefit with a benefit (increased premium contributions).

The Union argued that in addition to Columbia, Iowa, Lafayette and Sauk counties, Dane, Rock, Jefferson, Walworth, Grant and Richland counties should be considered external comparables. Though Dane and Rock are larger than Green County, the evidence shows similar per capita income in Green, Dane and Rock counties. Seven employees in this proceeding live in Dane County and 2 live in Rock County. The 3 counties are contiguous and in 1986 an arbitrator found them to be comparable for this bargaining unit.

It argued that Grant, Richland, Jefferson and Walworth counties should be included as comparables because of similar economic conditions and proximate location. Factors that measure relative affluence on a per capita basis are more relevant to

levels of employee compensation than factors that measure gross wealth or the size of the county unit.

The Union argued that in order to determine how much the Employer is offering in wages, to impose deductible health insurance charges upon employees, it is necessary to measure wage increases received by comparables. LaFayette County employees received a 3.85% wage increase in 1990, a 4.9% increase in wages and 6.1% lift in 1991. Rock County para-professionals received a 5.5% wage increase and 6% increase in lift in 1990. Average increases granted to Union recommended comparables in 1990 ranged from 3.7% to 4.1%; in 1991 these wage increases ranged from 4.3% to 4.4% or 5% if a 56¢ catch-up for the Iowa County professional units is included. There is insufficient data to establish any 1992 settlement pattern.

The Union calculated the County's 1991 offer at 1.7% greater than wage increases granted to comparable external units. The 6% increase previously granted to Green County deputy sheriffs was 2.5% or 29.6¢ greater than the average settlement among comparables. In this instance the employer is only offering 14.3¢ or \$297.44 per year, while the annual cost of the new family deductible could be \$450. Since the County's offer would impose 2 annual deductibles during the first contract year, an employee could be exposed to \$900 deductible expense plus increased co-payments. The total first year wage increases will provide the average employee only a \$712 increase in gross pay.

The Union stated in order to remedy the inequity between the Employer's offer to the deputies and this unit, the Union could have proposed a larger wage increase. The Union has proposed that the lost benefit (the imposition of deductibles) be replaced by the employer paying 100% of premium cost. The Union's offer would have the county pay increased medical costs in lieu of increasing wages. The Union offer would permit the parties to avoid paying increased taxes and thereby increase the benefit to Employee and reduce the cost to the Employer.

Having employees contribute toward health insurance costs does not reduce the overall cost of insurance. External comparables support the Union's position because all of the comparables pay more than 90% toward single coverage and all but two comparables pay more than 90% toward family coverage.

The Employer responded to the Union arguments by denying that its offer provided for 3 deductible periods. It pointed to language that there are two deductible periods and argued that "it would be more accurate to say there are only 1½ deductibles during the contract term." After criticizing the Union for basing some calculations upon evidence not in the record the County argued that the evidence demonstrates that its offer will generate "additional wages" of more than \$13,893.02 in 1990 while the maximum deductible payments during any deductible period would total only \$11,250. This evidence based upon Union data demonstrates that the County has offered a sufficient quid pro quo for any amounts employees might have to pay.

The Employer stated that, the Union's comparison of the Employer's offer in this proceeding to the 2.5% additional wages paid to Sheriff's Department employees is simplistic because it did not consider a number of variables which may have affected costs and/or benefits.

The Union analysis of the Employer's offer and argument that the Employer has not offered quid pro quo ignores the actual cost of the Union offer. Employees are presently paying \$1,544.87 each month toward premium cost by contributing 10% toward premium cost. That \$1,544.87 is equal to about 2% of total wages. The Union offer would require the employer to assume this cost while offering only .016% less in wages.

THE EMPLOYER'S ARGUMENT

The County prefaced its argument by reviewing the bargaining history of these parties in relationship to the health insurance issue. All Green County employees were previously covered under a self funded HMP administered by WPS. In recent years premiums for that plan had skyrocketed. Because the County had underestimated the cost of that plan, the County had been forced to contribute \$300,000 to cover premium shortfalls since July 5, 1988.

The County sought advice on how to cut its expense without greatly affecting benefits. Its self funded HMP was expensive because it had no deductibles and only a \$2 co-pay for prescription drugs. It was recommended that a plan containing front end deductibles and increased co-payment for drugs would

reduce the cost to the County by more than the amount of money that was cost shifted to the employees. It was determined that the family plan premium could be reduced by \$480 per year even though the maximum deduction for families of 3 or more would be \$450.

In order to implement these deductions the County would have to change its employees' health insurance from the HMP to a more traditional plan, like WPS "Care Share." The County implemented the new Care Share Plan for its unrepresented courthouse employees effective October 1, 1990. At that time, the Employer also asked representatives of this Union and of the Sheriff's Department to accept the change over to the Care Share Plan with front end deductibles and increased co-payment provisions. The County wanted to implement the Care Share Plan for all of its employees effective October 1, 1990, but was unable to do so because the Union representing the Deputy Sheriffs and the Union in this proceeding refused to agree. Health insurance coverage became an issue in the arbitration proceeding between the County and the Sheriff's Department employees. The parties in this arbitration agreed to postpone bargaining until after a decision had been received in the Sheriff's Department arbitration proceeding.

On April 12, 1991, the arbitrator issued his decision in the Sheriff's Department cases adopting the Employer's offer which included the Care Share Plan. The parties to this proceeding resumed bargaining the present contract. The Union agreed to

permit the County to implement the new insurance plan and either negotiate or arbitrate the impact of its terms.

The Union's final offer dated June 21, 1991 would have made the changeover effective January 1, 1992. At the December 3, 1991 hearing, herein, the Union stated that it intended its offer to become effective after the arbitrator issued his decision in this proceeding.

The County argued that it chose to change its health insurance plan to limit skyrocketing health insurance costs. It demonstrated that increases had raised the cost of single and family nondeductible coverage from \$36.08 and \$111.79 respectively in January, 1980 to \$170 and \$440 in December, 1991. The introduction of deductibles had reduced the cost of the Care Share Plan by \$15 per month for single family coverage and \$40 per month for family coverage since that Plan was made available in October 1990. The County reviewed the number of employees for whom it would have paid reduced premiums, if it could have imposed deductibles on all of its employees commencing in October 1990. It concluded that the County would have saved \$16,275 over the 15 month period to December 31, 1991, if the County had been able to implement Care Share in October 1990.

The County stressed that it was unlikely that all of the employees would have been subject to maximum deductibles. For the purpose of emphasizing its point, however, the Employer assumed that would be the case. The maximum potential deductibles could result in a maximum cost of \$11,250 to all

insured employees in a 12 month period. Total premiums saved during that period would equal \$13,020. Since employees pay 10% of premium cost they would also benefit directly from reduced premium cost.

The Employer's wage offer was designed to more than offset the effect of deductible insurance expense. Human service employees in Columbia, Iowa, Lafayette and Sauk counties received an average wage increase of 3.76% in 1990 and an average increase of 4.6% in 1991. The County's 10.25% two year wage offer in this case is 1.89% greater than the two year average increase received by other employees performing similar services.

The County argued that its offer was an effort to control the cost of health insurance which will result in lower costs for everyone. Deductible medical expenses discourage excessive health care utilization. HMO and HMP plans do not have deductibles. Those plans encourage higher usage and are not cost effective. There is a health care crisis in Green County and in the entire country. A poll of company executives showed, that, the two most effective steps to reduce medical costs were increasing the employees' share of premium expenses followed by increasing deductibles. The County said that it is ironic that the Union proposed the County should pay the entire insurance premium in this case.

The employees in this proceeding presently pay \$1,544.87 per month or \$18,500 per year toward health insurance premiums. This amount is equal to about 2% of wages. The Union's offer would

result in Green County paying greater amounts for health insurance even after the imposition of deductibles. Green County Landfill and Highway Department employees, both represented by the Teamsters Union, pay 10% of premium. Nursing Home employees represented by AFSCME and the Sheriff's Department represented by L.A.W. both pay 10% of premium. AFSCME has included a 10% contribution for family coverage in its final offer for the new courthouse union. The Union's offer in this proceeding is contrary to the current statewide trend toward cost sharing of health insurance costs. The County argued that both of the parties had agreed to implement the new Care Share Plan. The Union's final offer would deny the County any effort to contain health care costs.

The County's wage offer would grant higher wages during each year of the contract. It would provide \$19,163.97 more in wages over the life of the contract than the Union offer. The Employer concluded that its wage offer was superior to the Union offer. The County said that the cost to the Employer of picking up the .1% increased contribution to the retirement fund would be negligible. Since, however, the County will not pay this additional amount for any of its employees, there is no justification for the Union demand.

The Union responded to the County's position by arguing that the Employer had relied upon facts not included in the record. It objected to comments about the bargaining history, the evolution of health benefits and the conclusion that the

Employer's paying 100% of single coverage for Sheriff's Department Employees is being negotiated away. The conclusion that the family plan premium could be reduced by \$480 with the introduction of deductibles is an arbitrary assumption which may not represent actual cost.

The Union argued that it had been consistent in its position that the new Care Share Plan should be implemented on January 1, 1992. The County's offer, which provides that changes other than the deductibles and prescription co-pay will become effective following the arbitrators award, is ambiguous and will likely result in litigation between the parties. Other arbitrators have selected offers which would not result in litigation where those offers were reasonable. The Employer's offer is simply cost shifting because there is no reduction in the cost of health care in requiring the employees to contribute toward premiums.

The County's offer would provide all employees the same wage increase. Single employees would only be subject to a single \$150 deductible. Employees with family coverage would not receive any larger wage increase but would be subject to up to \$450 deductible expense each year. The Union's offer would target relief toward those employees who will experience the greatest increase in cost by reducing those employees premiums more.

This is the first time that the retirement fund issue could be addressed by any Green County bargaining unit. Several of the

Employer's proposed external comparables have provided for the Employer to pay the increased contribution.

DISCUSSION

The selection of either of the final offers will result in a substantial change in the employees' existing health care benefit. The Employer's offer would impose front end deductible expenses of up to \$150 a year for single coverage and up to \$450 a year for 3 or more person family coverage. That offer would also increase the Employees liability for co-payment for prescriptions from \$2 to five dollars. The parties engaged in some argument about the number of deductible periods that an employee could be exposed to under the Employer's offer. That disagreement does not appear to be significant because both parties calculated maximum employee deductibles at \$300 and \$900 during the term of this contract. Since this is a two year contract the impact upon individual employees could range from zero, if no medical care was required, to either \$300 for single coverage or a maximum of \$900 for family coverage plus increased co-payments which we are unable to quantify.

The Union's offer would impose the same deductibles and increased co-payments but would discontinue the employees contribution of 10% toward premium cost. For this contract period, the amount of that premium cost shift would be minimized because it would not be implemented until January 1, 1992. Based upon the rates set out on County Ex #18, the maximum amount of the employees premium avoidance during the term of this contract

would be \$102 for full-time employees with single coverage and \$264 for full-time employees with family coverage. Based upon data in County Ex #19, the Union offer would shift total premium expenses of \$1,545 a month or \$18,500 a full year, for 53 full and part time employees, back to the employer. The total shift for this contract period would be held to \$9,250 because this part of the Union offer would not be implemented until the last quarter of the contract period.

A simplified comparison of the impact of the two offers upon the Union's 53 full and part time employees during a full contract year follows. There are presently 19 employees that have single coverage. Seventeen work full-time and 2 are part-time. Eighteen of 20 employees with family coverage are full-time and 2 work part-time. Fourteen employees do not have any kind of health insurance coverage from Green County. There is not sufficient data to permit base-line assumptions which would permit an economic analysis of how the offers would effect part-time employees or those who currently have no insurance benefits. It is possible to review the potential maximum and minimum impacts of the two offers upon those 35 full-time employees who currently have either single or family coverage. This evaluation is based upon information in County Exs #18&19.

TABLE I

MAXIMUM DEDUCTIBLE 1 YEAR		
Family Coverage	(3) deductibles	15 x \$450 = \$ 6,750
Family Coverage	(2) deductibles	3 x \$300 = \$ 900
Single Coverage	(1) deductible	17 x \$150 = <u>\$ 2,250</u>
Maximum Potential Cost to 35 Full-time Employees		\$10,200
Employee Premium Savings 1 Year		
Family Coverage	480 per year x 18 =	\$ 8,640
Single Coverage	180 per year x 17 =	<u>\$ 3,060</u>
Actual Savings for 35 Full-time Employees		\$11,700

Though the foregoing is oversimplified the data on Table I is the most reliable information available for comparing the potential financial impacts of the of the two offers.

The Union has challenged the Employer's data and argument. It alleges that the proposed premium levels of \$155 or \$170 and \$400 or \$440 for deductible and nondeductible single and family coverages respectively are arbitrary. Those rates were devised by the County based upon advice from W.P.S. and P.A.S. who have acted as contract administrators for Green County's insurance programs. The rates are admittedly not completely accurate and have not been tested by an actuary. These premium estimates were set in the same manner that the County has been setting premium estimates since 1988. Since the County has historically estimated the rates on the low side and made up shortfalls with transfers from the general fund, inaccuracies in these estimates of premium cost should cause the Employer's arguments to be

understated. That being the case, the Union's position is not harmed or prejudiced by the softness of the numbers.

There is no evidence in this record to permit any estimate of the probable cost of deductible expenses and increased co-payments to these employees. We have seen that in each case, the employee's savings in not having to continue to contribute 10% toward premium costs would be greater than any cost that they could be required to pay in deductible expenses. If insured employees or dependents did not require any health care expenses during a contract year, the savings to the employees, under the Union's proposal would equal their annual premium contributions. There is no evidence that the County's health care cost would be reduced if one or more of its employees do not have health problems in any given contract year. The evidence that this employer has seen its health insurance costs increase by about 51% since 1987 and the testimony of County witnesses Schweers and Doyle support the finding that health insurance costs will continue to increase even if some of the employees and/or their dependents do not file any claims in various contract years.

The Union offer which purports "to replace a benefit cost with another benefit" would benefit its healthier members at the expense of the Employer. The term "adverse selection" refers to the phenomenon where the cost of providing insurance coverage to those persons who make claims is concentrated upon the claimants. The healthier members of society are provided with less expensive insurance coverage because they do not make many claims. Under

Green County's existing insurance plan, all of its employees except deputy sheriff's with single coverage contribute a sum of money equal to 10% of the cost of the employee's health insurance premium toward the cost of health insurance coverage. The Union offer would permit all of its members to avoid making any contribution toward the cost of health insurance thus transferring the entire cost of providing insurance coverage to the employer. Those insured employees or their dependents who made claims would be required to pay deductible expenses limited to \$150 per person. Those employees who did not have any claims would receive a windfall savings equal to their present premium contribution. The entire increase in future health insurance costs would be borne by the employer.

Though the principal issue in dispute in this proceeding relates to the health insurance issue, the arbitrator is required to select one of the offers in full to the exclusion of the other offer. The Employer has made a relatively generous wage offer combined with its proposal which would impose deductible health insurance expenses upon the employees. The Union wage offer would cost about \$19,000 less than the County's offer. It would provide .25% less lift at the end of the contract term. The Union offer would save its members approximately \$9,250 over the remaining period of this two year contract. The arbitrator has compared the two offers with those factors required for consideration by Wis. Stat. 111.70(4)(cm) 7. The evidence in this proceeding is particularly relevant to comparisons under six

of those statutory factors. Those comparisons are as follows:

1.) Both parties have argued that there are inconsistencies between the other party's final offer and the position it presented at the arbitration hearing. In response to the County's argument that the Union had attempted to change the implementation date of its final offer at the time of the hearing, the Union denied that it was attempting to delay the implementation date. The County then argued that the Union offer would be impossible to implement because of the passage of time. The Union argued that the employer's proposed implementation dates are ambiguous and "would likely result in litigation between the parties." These arguments relate to the "lawful authority of the employer" and the "stipulations of the parties." The alleged or perceived inconsistencies result from the lengthy hiatus between the expiration of the old contract on June 30, 1990, the filing for arbitration on January 30, 1991, the date of the hearing on, December 3, 1991, and the party's reasonable expectation that this arbitration award will not be issued until February or March 1992. It is a recognized principle in arbitration proceedings that neither party to good faith collective bargaining should be disadvantaged as a result of delay necessarily arising out of the bargaining process. From the record in this case, it does not appear that the adoption of either party's offer would violate the lawful authority of the municipal employer or extend beyond the stipulations of the parties to this proceeding.

2.) In comparing the wages, hours and conditions of employment of the employees of the Green County Human Services Department with employees performing similar services in comparable counties, three considerations are relevant. The first is the question of which group of counties should be considered comparable to Green County for comparison purposes. Other considerations are the reasonableness of each party's wage offer and their offer relating to health insurance coverage. Both party's wage offers appear to be more generous than the average wage offer received in those counties that either of the parties have proposed as comparable. The Employer suggested that Green, Columbia, Iowa, Lafayette and Sauk Counties were comparable to Green County for comparison purposes. The Union argued that the pool should be expanded to include 6 other counties. It does not matter to which list of proposed comparables we contrast the two health insurance proposals. The outcome of the comparison is similar no matter which list is used. The Union has argued that its recommended pool of external comparables supports the Union's position because all of those comparables paid more than 90% of the insurance premium cost for single coverage and all but 2 of those counties paid more than 90% for family coverage. Of the 10 counties included on the Union's proposed extended list of comparables, only 2 counties appear to have paid 100% of both single and family coverage. When comparing the insurance benefit package offered to the employees on either list of proposed comparables with the offers of the two parties in this

proceeding, it appears that the Employer's offer is more comparable than the Union's offer. The Union offer would appear to be comparable only to two 1990-91 Walworth County Human Services contracts and the 1991-92 Jefferson County Courthouse Employee contracts. The employer's offer is more comparable to contracts in effect in Sauk, Dane, Lafayette, Iowa, Grant, Rock, Columbia and Richland Counties.

3.) The Union has relied heavily upon its comparison of the County's offer to the Human Service Department employees in this proceeding with the Green County Deputy Sheriff's Association in Case 100 No. 42429 MIA-185 Decision No. 26605-A decided on April 12, 1991 by Arbitrator Kerkman. The Union has argued that the County's offer in this proceeding is not comparable to that internal settlement for the reason that the employer made a very similar offer to the Sheriff's Department employees who on the average receive higher wages than the employees in this proceeding. It appears that in light of Arbitrator Kerkman's decision in the Sheriff Department's case, the Union has adopted the position that the best defense is a strong offense. The Union's principle argument in this proceeding is that, though the County's wage offer in the Sheriff's Department proceeding may have been found to constitute a quid pro quo for the imposition of insurance deductibles, the identical wage offer in this proceeding does not constitute a quid pro quo. The distinction results because the percentage increase awarded to the lower paid employees in this proceeding does not result in an equivalent

hourly or annual wage increase received by the higher paid employees. A more relevant interpretation of the comparison of wages, hours and conditions of employment of the municipal employees involved in this proceeding with the wages, hours, and conditions of employment of other employees generally in public employment in the same community and comparable communities results in the conclusion that the employer's offer in this instance is extremely comparable to its offer to all other Green County employees.

There is one significant difference between the employer's offer to the Sheriff's Department employees. In that case, the employer's offer continued a 100% health insurance premium payment for employees having single health insurance coverage while requiring a 10% contribution for employees having family coverage. The Union has argued that because the County offer included full coverage for single employees, that offer is not comparable to the offer made to the employees in this proceeding. The testimony at hearing was that the County has been attempting to negotiate away its payment of full premiums for single coverage. There was testimony that the County would continue to attempt to rid itself of this obligation in future negotiations. Based upon the evidence in this proceeding, it appears that the Employer's offer is most comparable to offers for settlement and other agreements arrived at between this Employer and other public employees Green County.

4.) When comparing the offers of the parties with the overall compensation presently received by the municipal employees, including fringe benefit offerings, the Union offer which would permit the employees in this proceeding only to avoid making a premium contribution toward family insurance coverage appears to be less reasonable than the County's offer. The Employer's offer will more closely approximate uniformity among fringe benefit packages offered to all Green County employees.

5. The final factor which appears to be relevant in this case is the "such other factors . . . which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining . . . in public service or in private employment." It has been noted above that there is a trend for employees to contribute toward the cost of health insurance benefits and the cost of provision of health care. The Employer's offer is consistent with that trend.

The Union has carefully crafted its offer in order to minimize the impact of abolishing employee contributions toward health insurance premiums. Because of the way the Union has structured its offer in this proceeding, that offer would cost the Employer less money during this 2 year contract period than the Employer's offer would cost. The financial cost of both party's wage offers is higher than the cost of other settlement among comparables during 1990 and 1991. The Union offer would result in the employees in this proceeding being the only Green

County employees, except for a small number of Deputy Sheriffs with single coverage, who would make no contribution toward health insurance costs. For that reason the offer is contrary to the trend in Green County and among comparables. There is evidence that the Union offer, would do nothing to limit, and could result in higher health care costs.

The Employer has offered above average wage increases consistent with increases granted other Green County employees in return for its effort to bring health insurance costs under control through the imposition of employee deductible expense. The Employer's offer appears to be more reasonable. For that reason the offer of Green County shall be incorporated into the 1990-91 agreement between these parties.

Dated at Madison, Wisconsin, this 18th day of February, 1992.


John C. Oestreicher, Arbitrator