

EDWARD B. KRINSKY, ARBITRATOR  
2021 CHAMBERLAIN AVENUE  
MADISON, WISCONSIN 53705  
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DEC 1 1983

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In the Matter of the Petition of  
DRIVERS, SALESMEN, WAREHOUSEMEN,  
MILK PROCESSORS, CANNERY DAIRY  
EMPLOYEES & HELPERS UNION LOCAL  
NO. 695, a/w I.B.T.C.W. & H. of A.  
For Final and Binding Arbitration  
involving Law Enforcement Personnel  
in the Employ of  
SAUK COUNTY (SHERIFF'S DEPARTMENT)  
\* \* \* \* \*

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

Case XLIII  
No. 30900 MIA-720  
Decision No. 20525-A

Appearances: DeWitt, Sundby, Huggett, Schumacher & Morgan,  
by Robert M. Hesslink, Jr, for the County

Goldberg, Previant, Uelmen, Gratz, Miller  
& Brueggeman, by Marianne Goldstein Robbins,  
for the Union, on the brief. Michael Spencer,  
Business Representative, at the hearing.

On April 21, 1983, the Wisconsin Employment Relations Commission  
appointed the undersigned as arbitrator in the above-captioned  
matter, for the purpose of issuing a final and binding arbitra-  
tion award.

A hearing was held at Baraboo, Wisconsin, on August 17, 1983.  
No transcript of the proceedings was made. At the hearing the  
parties had the opportunity to present evidence and testimony  
and make arguments. The record was completed with the exchange  
by the arbitrator of the parties' post-hearing reply briefs on  
October 17, 1983.

Pursuant to statute the arbitrator is obligated to select in its entirety one of the parties' final offers. The final offers of the parties are as follows:

The EMPLOYER proposes that:

ARTICLE IX. -- HEALTH AND WELFARE, Section 1.,  
shall be amended, effective April 1, 1983, to read as follows:

'The Employer agrees to pay 90 percent of the family plan hospital and medical insurance premiums for regular part-time and full-time employees who require family coverage and 90 percent of the hospital and medical insurance premiums for such employees who require single coverage; any major medical portion of the premiums shall be included. The County may from time to time change the insurance carrier or self-fund coverage if it elects to do so.'

The UNION proposes that:

ARTICLE IX. -- HEALTH AND WELFARE, continuing unchanged from the current contract language.

The "current contract language" referred to in the Union's final offer is as follows:

ARTICLE IX. HEALTH AND WELFARE

Section 1. The Employer agrees to pay the full cost of a group hospital and surgical insurance plan for employees covered by this Agreement and further agrees to pay the premium cost for the dependent coverage effective January 1, 1975. The County may from time to time change the insurance carrier or self-fund coverage if it elects to do so. Provided, however, that if such a change results in an increase in major medical premiums over the premium which would have existed under the existing policy, the County shall be responsible for the amount of such increase. Future increases in major medical premiums shall be the responsibility of the employee.

The factors which the arbitrator must consider in reaching his decision are found at 111.77(6), Wis. Stats as follows:

(6) In reaching a decision the arbitrator shall give weight to the following factors:

(a) The lawful authority of the employer.

(b) Stipulations of the parties.

(c) The interests and welfare of the public and the financial ability of the unit of government to meet these costs.

(d) Comparison of the wages, hours and conditions of employment of the employes involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employes performing similar services and with other employes generally:

1. In public employment in comparable communities.

2. In private employment in comparable communities.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

(f) The overall compensation presently received by the employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

(h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

FACTS

The only issue in dispute in this case is the method of payment of health insurance premiums. The Union's final offer is to maintain the status quo. The County's final offer seeks to change the method of payment.

The County, as it has done several times in the past few years, has changed the insurance carrier in attempting to hold down the increased cost of health insurance. Nonetheless, the premium increase which must be absorbed in 1983 is approximately 40%. At the time of the arbitration hearing only one of the four Sauk County bargaining units had reached a voluntary settlement, that being the 20-person unit of social workers and public health nurses represented by United Professionals. The settlement included the County's final offer on health premiums at issue here. The County implemented the formula sought here for its non-represented employes also.

Subsequently, there have been two arbitration awards, both of which have been based to a significant degree on the external comparison with conditions in neighboring Columbia County, which both parties agree in this case is the most relevant external comparable.

In the unit involving Courthouse employes, represented by the Teamsters, Arbitrator Zeidler awarded the County's final offer, and thus implemented the payment formula sought here by

the County. The other award, made by the undersigned in the Highway unit represented by AFSCME, the arbitrator awarded the Union's final offer which maintained the existing contract language.

In Columbia County the County pays the full cost of health premiums for employes in the Sheriff's Department. The total premium paid (\$115.82) is considerably less than the total premium paid by Sauk County (\$156.24) for family coverage.

The Union introduced as its Exhibit #1, a table showing health insurance payments made in sheriff's departments in the 10 counties (in addition to Columbia County) which surround Sauk County. In 6 of the 10 the County pays the premium in full, and in a 7th it pays 92%. The remaining three pay 90%, 85% and 80% respectively, but each of them pays the single coverage in full.

#### DISCUSSION

Under the County's offer, the rates for employes would increase from \$4.47 to \$6.06 per month for single coverage, and from \$8.99 to \$15.62 per month for family coverage. Under the Union's offer there would be no increase in the amount paid by employes. Thus, for single coverage the rate paid by employes would increase 35.6%, and for family coverage the rate paid by employes would increase 73.7%. Almost all employes take the family coverage and thus the 73.7% figure is the more relevant one.

It is the County which is seeking to change the insurance formula. It has argued persuasively that employes should pay a portion of health premiums, and in fact they do so under the 1982 language and would continue to do so under either final offer. The County has not explained why the majority of employes should have a premium increase of 73.7% while the insurance premium has risen 40%. Certainly it is reasonable that employes share in the cost increase, and the Union's offer is weak insofar as it does not do so, but in the arbitrator's opinion it is up to the County to justify such a large increase which employes are called upon to pay under its offer, and it has not done so.

The arbitrator views internal comparisons in this case as inconclusive. As stated in his recent Highway Department award, he attaches little weight to what the County has implemented unilaterally for its non-represented employes, and he also does not view as a pattern-setting settlement the agreement reached in the much smaller and more recently established unit of social workers and public health nurses. Arbitrator Zeidler also found that internal comparisons were inconclusive when he awarded in favor of the County in the Courthouse unit, and this arbitrator made a similar finding in awarding in favor of the Union in the Highway case.

In the present case the arbitrator views the internal comparison as inconsistent and inconclusive, and there is no pattern

to be followed at this time.

Whether the external comparisons are limited to Columbia County or whether the other sheriff's departments presented by the Union are considered, the comparisons favor the Union. Employees in Columbia County's Sheriff's Department pay 0%, whereas in Sauk County the Union's offer results in approximately a 5.8% share, while under the County offer the share is 10%. As noted above, the Union's offer results in greater payment by employees in percentage terms (the dollars paid in counties other than Columbia are not in the record) than in most other surrounding counties.

The County makes other arguments to support its position, including having relatively less ability to pay the benefits sought than does Columbia County, having fared less well than Columbia County in the depressed economy faced by the state, and having a wage and benefit offer closer to the change in cost of living than is true of the Union's offer. In the arbitrator's view these arguments do not warrant as much weight as the other considerations discussed above, and especially given that the difference between the parties' offers is on the order of \$50 per employee per year, which is a difference on average of less than 1% of the employee's total compensation, as calculated by the County in its Exhibit #23.

The County also argues that the arbitrator should be aware of the fact that the health premium paid for its employes is substantially higher than that paid by Columbia County for its employes. That is certainly true. The reasons for that are not evident, however, and there is nothing in the record about the scope of health coverage. The arbitrator does not attach any weight, therefore, to the County's statement in its brief that "it is not illogical to assume that the Columbia County unit elected reduced coverage as an alternative to shared premiums." It may be that Columbia County's health insurance plan has aspects to it, or that trade-offs have been made with the Union, that result in a less expensive total premium. The only facts in the record, however, are the amount of the premium and that the County pays the whole cost. If those other aspects were detailed there might be more support for the County's position than is readily apparent. As it stands, the comparison with Columbia County favors the Union's position on the structure of cost sharing and the amount the employes are required to pay.

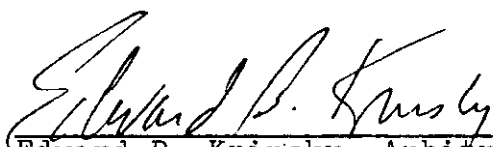
The County notes, also, that the wage increase granted to this unit is greater than those granted to all but one of its other bargaining units. This is the case, but wages are not an issue before the arbitrator, the parties having voluntarily agreed to a wage figure prior to the arbitration proceeding. Wages are a part of total compensation, which the arbitrator must



consider, but the data presented concerning total compensation of this unit compared to other units in and outside of the County are not sufficient or persuasive enough to support the County position on the disputed health premiums issue.

Based on consideration of the statutory factors and the above facts and discussion, the undersigned hereby makes his Award in favor of the Union's final offer.

Dated at Madison, Wisconsin, this 15<sup>th</sup> day of November, 1983.

  
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Edward B. Krinsky, Arbitrator