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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of an Arbitration
between
OZAUKEE COUNTY (SHERIFF'S DEPARTMENT)
and
OZAUKEE COUNTY LAW ENFORCEMENT EMPLOYEES
LOCAL 540, AFSCME, AFL-CIO

Case 28
No. 41747 MIA-1404
Decision No. 26220-A

Representing the County: Mr. Roger E. Walsh, Attorney, Lindner & Marsack.

Representing the Union: Ms. Helen Isferding, Staff Representative,
Wisconsin Council 40, AFSCME, AFL-CIO,

Before: Mr. Neil M. Gundermann, Arbitrator.

Hearing: January 19, 1990, Ozaukee County Courthouse.

The parties filed briefs and reply briefs.

County's Final Offer:

1. Article 13 - Insurance: Revise Section 1(a) to read:

a) The Employer shall pay the following amounts toward the premium cost of group health insurance under the County's standard health program (WPS-HIP, \$200/\$400 deductible) or under any HMO plan offered by the County, single or family plan, as applicable:

During 1989, the Employer will pay the full cost of group health insurance under any of the above health insurance plans offered by the County. Effective January 1, 1990, the Employer shall pay up to one hundred six dollars and forty-one cents (\$106.41) per month toward the cost of a single plan, and up to two hundred eighty dollars and fifty-one cents (\$280.51) per month toward the cost of a family plan of group health insurance under any of the above group health insurance plans offered by the County. In the event on and after January 1, 1990, any of the health insurance premiums for any plan offered by the County exceed the amounts listed above, the employee will be required to pay the difference, through payroll deduction, up to a maximum in 1990 of eight dollars and fifty cents (\$8.50) per month for single coverage, and seventeen dollars

(\$17.00) per month for family coverage, and the Employer will pay the balance of such 1990 premium.

2. Wages - Effective January 1, 1989 - 3.25% across the board
Effective January 1, 1990 - 4.0% across the board

Union's Final Offer:

1. Article 13 - Insurance - Section 1, Hospital & Surgical Insurance: Change to read:

The policy of furnishing group health insurance shall be as follows:

(a) The Employer shall pay the full cost of group health insurance under the County's standard health insurance program (WPS-HIP, \$200/\$400 deductible) or under any HMO plan offered by the County, single or family plan, as applicable.

(b), (c) and (d) same

2. Wages: Effective January 1, 1989 - Adjust all classifications and steps of the monthly January 1, 1988 rates 3.5% across the board.

Effective January 1, 1990 - Adjust all classifications and steps of the monthly January 1, 1989 rates 4% across the board.

COUNTY'S POSITION:

The County maintains that the arbitrator should select its final offer in this proceeding. The County proposes the appropriate comparables are the four counties surrounding and in close proximity to the County (excluding Milwaukee County), i.e., Fond du Lac, Sheboygan, Washington and Waukesha Counties. In contrast to what the County proposes as comparables, the Union includes the cities of Mequon, Cedarburg and Port Washington; the villages of Grafton and Thiensville; and Waukesha, Washington and Racine Counties.

According to the County, its list of comparables is supported by three prior arbitration cases involving the County. In Ozaukee County (Courthouse), Decision No. 25630A (May 1989), Arbitrator Steven Briggs determined that the most appropriate comparables were the four relied upon by the County in this

proceedings. In two prior arbitration cases between the County and this bargaining unit, Arbitrators Weisberger and Kerkman both considered as primary comparables Washington County and Waukesha County. Kerkman also included Racine County as a primary comparable, however, Weisberger included Racine County as a third-tier comparable. The County objects to the inclusion of Racine because it is too far away geographically from the County to make it a meaningful comparable, and it is too near Milwaukee County, as is reflected in the higher than average wage rates received by employees in that County.

The County also objects to the inclusion of municipalities, as the functions performed by county sheriff's departments are not comparable to the functions performed by police officers. Additionally, the functions performed by the respective governments are not comparable, nor are the populations of the respective governments.

In the prior arbitration awards involving the County, the arbitrators have looked at the counties as the most appropriate comparables. Both Kerkman and Weisberger relegated the municipalities within the County to, at most, second-tier comparables. Further, in other sheriff's department interest arbitration cases, including those involving the counties used as comparables by the County herein, municipalities are traditionally excluded as comparables. Therefore, the County's comparables are to be preferred over those proposed by the Union.

The County submits its health insurance proposal is supported by both external and internal comparables. The health insurance crisis in this country is well known. As a result, more and more employees are being asked by their employers to share in the increasing health insurance costs. At least 36 of Wisconsin's 72 counties, or 50%, require some form of premium sharing from their sheriff's department employees.

The County submits the external comparisons support its request for premium sharing. In Fond du Lac County, the county provides two plans. In 1989, employees covered under Plan A paid \$9.76 per month for the single plan and \$27.19 per month for the family plan. Employees covered under Plan B paid \$1 per month for the single plan and \$3 per month for the family plan. In 1990, Fond du Lac County sheriff's employees continue to share in the cost of health insurance. Employees choosing Plan A contribute \$23.84 for the single plan and \$70.99 per month for the family plan. Under Plan B, employees contribute \$4.54 per month single, and \$17.49 month family.

Washington County also had employe premium sharing in 1989. Effective January 1, 1989, the county paid the full cost of the single premium and up to \$210 per month for the family premium. Thus, as of January 1, 1989, employees contributed \$20 per month toward the family premium. No settlement has yet been reached between Washington County and its deputy sheriff's association for 1990.

The County asserts that employe premium sharing also exists in Waukesha County. The county contributes 90% of the cost of the Blue Cross/Blue Shield plan for either single or family coverage, or that amount towards any of the HMO's offered by the county. Thus, in 1989, employees were paying \$14.16 per month for the standard plan's single premium, and \$39.55 per month for the family premium of the standard plan. The 1990 contract is not yet settled in Waukesha County.

Some of the comparables the Union has chosen also require some form of premium sharing for their sheriff/police employees. In Racine County, employees who have the family plan contributed between \$48 per month and \$50.93 per month during 1989, depending upon the plan. For 1990, the employees of Racine County pay between \$77 and \$188.92 per month based upon the plan selected.

In Mequon, in 1989, employees contributed nothing toward the cost of any HMO, but paid \$20 per month for a single and \$40 per month for a family plan under the city's standard plan. In 1990, the City of Mequon joined the Dual Choice State Insurance Plan under which the city pays no more than \$124.91 per month for single coverage, and no more than \$296.31 per month for family coverage. In 1990, employees with a single plan will pay at least \$10 per month toward that coverage and possibly as high as \$31.01 per month, depending upon the plan selected. Under the family plan an employee could pay a minimum of \$10 per month to a maximum of \$73.56 per month, depending on the plan selected.

In the Village of Thiensville, two plans are offered, Blue Cross/Blue Shield standard plan, and Compcare HMO. If an employee elects coverage under Blue Cross/Blue Shield plan the employee shall contribute \$5 per month or \$60 per year toward the cost of the single premium, and \$10 or \$120 per year toward the cost of the family premium.

The County submits that its request that an employee share in the 1990 premium cost by contributing \$8.50 per month for the single plan and \$17 per month for the family plan is not an unreasonable proposal, as indicated by the amount paid by employees of the comparables. In 1989, Fond du Lac County employees, under Plan A, contributed \$1.26 per month more for the single premium and \$10.19 more for the family premium than would the employees of the County under the County's proposal for 1990. Under Plan B, Fond du Lac employees are paying \$1 per month for a single and \$3 per month for a family, but they are also subjected to a 20% co-insurance payment. In 1990, Fond du Lac County employees under Plan A pay \$15.34 per month more for single coverage and \$53.99 per month more for family coverage than would the County's employees. Under Plan B, Fond du Lac County employees would pay \$3.96 less per month for single coverage and \$.49 more for family coverage than would the County's employees.

In 1989, Washington County employees paid \$3 per month more for family coverage. In 1989, Waukesha County employees who chose the standard plan paid \$5.66 more per month for the single plan and \$22.55 more per month for the family plan than the County is proposing for 1990. Additionally, Waukesha County employees may pay a higher amount for 1990. In Racine County for 1989, employees contributed either \$31 per month or \$33.93 per month more for family coverage than what the County is proposing for 1990. In 1990, Racine County employees will pay anywhere between \$60 per month to \$171 per month more for family coverage than would the County employees for 1990.

In 1989, Mequon employees selecting the standard plan paid \$11.50 more per month for a single premium and \$23 more per month for a family premium than the County's 1990 proposal. In 1990, Mequon employees will pay between \$1.50 and \$14.01 more per month for single coverage under the various plans offered by the city, and between \$7 less and \$56.39 more per month for family premiums than the County's proposal for 1990. In Thiensville, for both 1989 and 1990, employees paid close to what the County is proposing; Thiensville employees paid \$3.50 per month less for single coverage, and \$7 per month less for family coverage. Thus, the external comparables strongly support the County's requirement that employees contribute \$8.50 per month toward the single plan premium or \$17 per month toward the family plan premium in 1990.

The County submits that the internal comparables also support its position. Two of the four County bargaining units are currently required to make some contribution toward both the single and the family premium. Another unit is also in interest arbitration with the same County health insurance proposal that has been proposed in the instant dispute.

In the OPEIU courthouse unit for 1989, the County paid up to \$99.50 per month for single premium and up to \$257.50 per month for the family premium for

any plan offered by the County. The employees paid any cost above those amounts to a maximum of \$8.50 per month for the single premium and \$17 per month for the family premium in 1989. This is the identical provision to that proposed by the County here for 1990.

In addition, in 1989 the Lasata Nursing Home AFSCME unit paid any premium cost over the County contribution of \$99.50 per month for single coverage and \$257.50 per month for family coverage. Thus, in 1989, Lasata employees paid up to \$15.41 per month for single premium coverage and \$40.01 for family plan coverage, depending upon the plan selected.

The fact that two County bargaining units have voluntarily negotiated premium sharing on behalf of their members clearly supports the Company's position herein.

The Union may claim support for its proposal in that non-represented employees in the County, such as department heads and supervisors, are not required to pay any portion of their health insurance premiums. The nonrepresented employees of the County are not appropriate comparables in this case.

It is argued by the County that Wisconsin arbitrators are recognizing that a health insurance crisis exists and municipal employers need employee contributions in this area. In an award issued by Arbitrator William W. Petrie, Mukwonago School District, Decision No. 25380A (1988), Arbitrator Petrie noted the association's resistance to any form of premium sharing, but stated:

"A complete refusal to allow innovation or to consider changes in the status quo in the latter context, would operate to prevent unions from gaining the progressive and innovative changes achieved by their private sector counterparts in across the table bargaining, and such a refusal would also operate to prevent public sector employers from gaining important changes through the collective bargaining process, which changes have already been enjoyed by certain private and/or public sector counterparts.

" . . .

A Union dedicated to avoidance of change in a context where all impasses moved to binding interest arbitration, rather than being open to strikes and lockouts, could forever preclude an employer from achieving change, even where it was desirable or necessary, and/ or where the change had achieved substantial acceptance elsewhere."

In Waukesha County (Highway Department), Decision No. 23530A (1987), Arbitrator Yaffe found in favor of the County's position that the highway employes begin contributing a portion of their health insurance costs. In so doing, Arbitrator Yaffe stated:

"With respect to the sufficiency of the justification for the requested change, the undersigned believes that the County has persuasively demonstrated that there is a legitimate basis for the change. This conclusion is based upon the fact that the costs of medical insurance are increasing at a rate far in excess of the rate of inflation, that the vast majority of other County employees have recognized this problem and have expressed a willingness to enter into cost sharing arrangements similar to that proposed by the County herein in order to try to get a handle on this problem in the long term, and that such cost sharing arrangements are not all that unusual among public employer-employee relationships in the area, as well as across the State of Wisconsin."

In concluding its arguments regarding the issue of insurance, the County submits the internal and external comparables support its health insurance proposal. The Union's proposal must be rejected because it is an unrealistic expectation in these times to expect the County to continue to bear 100 percent of the effects of rising health insurance costs.

The County submits its wage increase is supported by internal and external comparables and maintains the Sheriff's Department wages at an above-average level. The County proposes an increase in wages of 3.25% effective 1/1/89, and an additional 4% effective 1/1/90.

Two of the four County bargaining units have settlements for 1989. Both the OPEIU courthouse unit employes and the Lasata nursing home unit employes received wage increases of 3.25% across-the-board effective 1/1/89. Both units

are currently bargaining for 1990 contracts. The highway department unit is also in interest arbitration for the years 1989-90. The County made an identical offer to that unit as it does for the sheriff's employes herein.

The County introduced evidence which demonstrates the average wage rate among the primary comparables for the classification of Jailor was \$10.96 per hour for 1988. County employes in the same classification earned \$12.78 per hour, or \$1.82 per hour above the average. For 1989, the average wage rate for the comparables was \$11.33 per hour, and if the County's offer for 1989 were selected, jailors would earn \$13.20 per hour, which is \$1.87 per hour above the average. For 1990, among the comparables, only Fond du Lac County and Sheboygan County have settlements. Under the County's offer, jailors would receive \$2.16 per hour more than that received by Fond du Lac jailors, and \$3.06 per hour more than that received by jailors in Sheboygan County.

The evidence establishes that in 1988, the average wage rate for Process Servers was \$11.56 per hour among the comparables, while the County process servers earned \$13.99 per hour, or \$2.43 per hour more than the comparable average. In 1989, the average rate among the comparables was \$11.94. Under the County's offer, process servers would earn \$14.44 per hour in 1989, or \$2.50 per hour above the average wage rate.

For 1990, only Fond du Lac and Sheboygan Counties have settlements. Under the County's offer for 1990, process servers would earn \$15.02 per hour, which is \$4.04 per hour more than what process servers in Fond du Lac County earn, and \$2.49 per hour more than process servers in Sheboygan County earn.

The evidence further establishes that in 1988 the average wage rate among the comparables for Patrol Deputies was \$12.49 per hour. County patrol deputies earned \$13.41 per hour. The County is offering \$13.85 per hour for 1989. Under the County's offer, patrol deputies would earn \$14.40 per hour in

1990, or \$1.31 per hour more than those in Fond du Lac County, and \$1.83 per hour more than those in Sheboygan County.

Finally, the average wage rate among the comparables for Investigator/Detective for 1988 was \$13.27 per hour. County employees earned \$14.60 per hour. In 1989, the average wage rate among the comparables was either \$13.69 or \$13.77 per hour. Under the County's offer, employees would earn \$15.07 per hour, or \$1.38 or \$1.30 per hour more than the average wage rate. For 1990, the County employees in the classification Investigator/Detective would earn \$15.67 per hour, or \$2.12 per hour more than those in Fond du Lac County, and \$2.09 per hour more than those in Sheboygan County.

Thus, the County's wage offer is well above the average wage rate received by comparable communities. Under the Union's offer, which is the highest cents-per-hour increase of the comparables, the County employees would be earning substantially more than what employees earn in comparable communities. There is no justification for the Union's higher wage offer, while it insists on maintaining fully paid health insurance. In addition, the internal comparables support the County's offer, and therefore its offer must be accepted as the more reasonable.

A further argument is advanced by the County that the overall compensation received by its employees is comparable to that received by both external and internal comparables. The wages paid County employees are well above the average wage received by employees in comparable communities. This has a positive impact on the County Sheriff's Department employees when comparing their benefits which are related to wages, for example, pension, vacation, holidays, sick leave, etc.

Thus, for the reasons stated, the County respectfully requests that its final offer be the one selected in these proceedings.

UNION'S POSITION:

The Union argues that its final offer is the more reasonable of the final offers before the arbitrator based on the statutory criteria. Therefore, the Union submits its final offer should be awarded.

It is argued by the Union that the Employer has not met its burden in changing the status quo. The Union contends that the Employer's language regarding insurance contains two major changes in the status quo: the dollar figure, and the language adding "in 1990" to its proposal. This would affect a hiatus period that may occur after the year 1990.

In Village of Little Chute, Case No. 26, No. 42012, Arbitrator Imes stated the burden is on the party proposing the change to prove there is a need for the proposed change and a quid pro quo has been offered for the change, or that the change has been made among other employes without a quid pro quo.

According to the Union, the County fails to meet the "needs" test for the following reasons:

1. Nothing on the record proves that if the employe pays part of the premium that health insurance costs will go down. (The Union, however, has agreed to add language to the contract that in the event an employe has a spouse that is also a County employe, that employe and spouse will be entitled only to either two single plans or one family plan provided by the County.)
2. If there isn't a need for nonbargaining unit employes to pay part of the insurance, why is it needed for bargaining unit employes. The Union contends that the "interest and welfare of the public" cannot be served if the County's final offer is adopted as it would create dissension between Union and non-union employes.
3. The cost-sharing insurance that exists in two other bargaining units occurred in different years, in different periods of time. Both agreements

were initial agreements for newly organized locals. In contrast, this unit has been going to arbitration as far back as 1978-79.

4. The Employer has not pleaded poverty.

The effect of the insurance language proposed by the County is similar to that of the courthouse unit which has proven disastrous for that unit during a hiatus period. The Employer, as of early December, informed the employes that the County would collect \$49 per month for singles and \$125 per month family because the contract had expired.

The second test, whether the Employer has provided a quid pro quo for the desired change, has clearly not been met by the County. A settlement of 3.25% or 3.5% is not recognizable as a quid pro quo for the relinquishing of such precious language. In reviewing the settlements in other police units, those that had flat rates kept them, those that were paid at 100% maintained it--but all received increases from 3.5% to 4% for 1990.

The Union notes arbitrators have been generally reluctant to force a major change in the status quo in arbitration. It is generally recognized that major changes should be negotiated into the contract by the parties themselves.

As to the issue of comparability, the Union submits that its proposed comparables are the most reasonable and have been historically used by the parties. Since comparability is among the criteria used by the parties to support the reasonableness of their final offers, the composition of the comparables must first be decided. The parties have been in arbitration before, and as a result of those proceedings the comparables have been clearly established. The history of past arbitration and past decisions can be reflected as follows:

KERKMAN ARBITRATION 1978-1979

Union	Employer	Arbitrator
1 Ozaukee Co.	1 Ozaukee Co.	1 Ozaukee Co.
2 Waukesha Co.	2 Waukesha Co.	2 Waukesha Co.
3 Washington Co.	3 Washington Co.	3 Washington Co.
4 Milwaukee Co.		4 Racine Co.
5 All Municipalities in above 1,2,3 & 4		5 Municipalities Ozaukee Co.
		6 Other Ozaukee Employes

WEISBERGER ARBITRATION 1980

". . . This arbitrator would place, however, Racine County in a third grouping of comparables along with Milwaukee County communities (excluding both the City and County of Milwaukee). She would also place in evidence of County treatment of its other employees in this grouping."

Despite the fact that the comparables have been established in two prior arbitration cases, the County now proposes a list of different comparables.

It is argued by the Union that its comparables should be selected for a number of reasons. First, historically, in two prior arbitrations, the comparables proposed by the Union more closely matched the comparables adopted in the previous cases. To change the comparables after the parties have lived with them since at least the 1980 decision, would add further disincentive to the voluntary settlement process as it changes the playing field.

Historically, the comparables have been divided into three groupings. Group one consists of Washington and Waukesha Counties. Group two consists of police officers of the County. And Group three consists of Racine, Milwaukee County communities, excluding both the City and County of Milwaukee. There is no valid reason to change the comparables that have previously been established. Fond du Lac County especially does not belong as a comparable. There is a different bargaining pattern in Fond du Lac County than in the County. Moreover, comparisons should be made among residents in the same "bread basket" area to insure the same relatively equal standard of living

among the comparables. The choice of Washington, Waukesha and Ozaukee by the Union can be reinforced by the Consumer Price Index. The Milwaukee MSA includes Milwaukee, Ozaukee, Washington, and Waukesha Counties.

It is asserted by the Union that the comparables it is proposing support its position. The issue of insurance will be the determinative issue in this case, as there is only a quarter of a percent difference in the parties' respective wage offers. Without agreeing to the County's comparable differences, but for argument's sake, the Union is willing to look at the whole picture of exactly what did the 1990 premiums look like in rank order for standard family plan. The evidence establishes the following:

Party using as comparison

<u>Union</u>	<u>Employer</u>		
X	X	Waukesha	\$526.90
X		Grafton	\$460.00
X		Racine	\$448.00
X		Cedarburg	\$444.50
		<u>OZAUKEE</u>	<u>\$398.97</u>
X		Mequon	\$380.00
X		Thiensville	\$339.52
	X	Fond du Lac	\$325.00
	X	Sheboygan	\$317.91
X	X	Washington	\$300.00
			\$393.53 AVERAGE

It is emphasized by the Union that the County's health insurance premium for family coverage is about average. While the parties do not have a dental proposal at issue in the instant dispute, the Union contends that the total health care cost must be considered. If the total health care cost is considered, including dental insurance, the actual cost of the total plan can vary substantially.

It is particularly apparent when looking at the cost of single premium that the Employer's proposal is not supported by either set of comparables. Of

the group of 11 comparables proposed by both parties, only four require that an employe contribute toward the payment of a single plan. Therefore, the County's proposal that the employe pay \$8.50 per month toward the single plan is clearly not supported by the comparables.

So far the comparisons regarding health insurance have been based on standard plans. It is emphasized by the Union that in many instances where the employers have negotiated employe contribution to health insurance premiums, those contributions have been limited to the standard plans. Many of those same employers have also provided employes with HMO's and other forms of insurance where the employe could elect to take insurance coverage at no cost to the employe. Both Sheboygan and Waukesha Counties had plans available to the employes where the employe would not have to contribute toward the insurance premium. Similarly, Cedarburg, Grafton, Port Washington and Thiensville have such plans. However, under the County's proposal, there is no choice for a paid plan, standard or otherwise. Five of the total comparables used by the parties have some sort of insurance that an employe may choose at no cost to the employe. Fifty percent have an alternate choice among those county comparables mutually agreed upon. Therefore, the Union's proposal is supported.

An additional argument is advanced by the Union that the CPI supports its request for a 3.5% increase as it is closer to the CPI increase than is the County's 3.25% increase. One of the criteria the arbitrator must consider in making an award is the CPI. The CPI index for the Milwaukee area, which includes the County, had risen 5% as of December 19, 1989.

In concluding its argument, the Union submits that the Employer's offer is unreasonable as it does not address the need for payment of the health insurance by employes, and is dangerous to the employes during the hiatus

period. Treatment of bargaining unit employes in a manner different from nonbargaining unit employes in the area of health insurance can be demoralizing. The wage issue is minor compared to the insurance issue, and the Union's offer of 3.5% is supported by the comparables. The County has failed to provide clear and convincing evidence to establish it has a need for a change and that there has been a quid pro quo for the proposed change. The Union's offer is the more reasonable based upon the statutory criteria, and therefore should be awarded.

DISCUSSION:

There are two issues involved in the instant dispute: wages and employe contribution toward health insurance premiums. The controlling issue in this case is not wages, as the parties are only .25% apart in their respective proposals. The controlling issue is whether employes should contribute toward the payment of their health insurance premiums. The County is proposing that employes contribute \$8.50 per month toward the cost of the single premium, and \$17 per month toward the cost of the family premium for 1990. The Union takes the position that the status quo should be maintained with employes not contributing toward their health insurance premiums.

In support of their respective positions, both parties direct the arbitrator's attention to what they deem to be the appropriate comparables. Although both parties list among the comparables other County bargaining units, Waukesha County and Washington County, there is a significant difference of opinion regarding what other comparables should be considered by the arbitrator.

The Union has included Racine County as a comparable, as did Arbitrator Kerkman and Arbitrator Weisberger. (Kerkman included Racine County as a primary comparable while Weisberger treated Racine County as a third-tier

comparable.) The County objects to the inclusion of Racine County on the grounds it is not in close geographic proximity to the County and it is influenced by the City of Milwaukee and Milwaukee County. The undersigned shares Arbitrator Weisberger's view that Racine County should be considered as a third-tier comparable. Therefore, Racine County should not be accorded the same weight as Sheboygan, Washington and Waukesha Counties. The County also objects to the inclusion of cities and villages within the County as comparables arguing that the other two arbitrators placed the cities and villages into the second tier of comparables. The County further asserts that: (1) other arbitrators have not considered cities as comparables in cases involving sheriff's department employes; and (2) the duties of police officers in a city or village are different from the duties performed by sheriff's department employes.

A review of the cases involving sheriff's departments suggests that in some cases arbitrators have considered cities as comparables while in other cases cities have been rejected as comparables. There appear to be valid reasons in each case for either the inclusion or exclusion of cities as comparables. In some counties there are no cities which could be considered a comparable using any criteria. In other counties where there are large municipalities, police departments have been considered among the comparables based on size of department, geographic proximity and cost of living. In the instant dispute it would appear that Cedarburg, Grafton, Mequon, Port Washington and Thiensville should be considered as second-tier comparables, continuing the set of comparables established by Arbitrator Kerkman.

The undersigned recognizes that there is a distinction in the type of duties typically performed by police officers and sheriff's deputies. The Sheriff's Department performs certain duties which are not performed by police

officers, i.e., acting as jailors and process servers. However, there are many similarities between the functions of the patrol deputy and the functions of a police officer. Most importantly, both are involved in law enforcement.

The Union objects to the inclusion of Fond du Lac County and Sheboygan County as comparables. The Union argues that Fond du Lac County is not in the same economic environment as the County--not in the same "bread basket" area as the County. The undersigned views Fond du Lac County in much the same way he views Racine County; both are really peripheral comparables, one because it is influenced by Milwaukee and the other because it is not directly influenced by the same market forces as is the County. No such similar argument can be made regarding Sheboygan County which is contiguous to the County. The undersigned is persuaded that Sheboygan County should be considered among the primary comparables.

The Union argues that the comparables have been established as a result of two prior arbitration cases, and those comparables should not be disturbed as it would have a negative impact upon the parties. It is true that when the parties consider interest arbitration there should be predictability regarding which comparables will be used, and by reviewing those comparables the parties should have an opportunity to make a reasoned judgment as to whether to proceed to the impasse procedure or reach a voluntary settlement. By significantly changing the comparables this predictability is removed, thus precluding the parties from making a reasoned judgment. To the extent the parties can agree as to the appropriate comparables, this uncertainty is removed. These parties have experienced the selection of slightly different comparables in their two prior cases, as one of the arbitrators considered Racine County a primary comparable and the other arbitrator relegated Racine County to a lesser role. By retaining Racine County as a third-tier comparable and including Sheboygan

as a primary comparable, the undersigned has not significantly altered the comparables.

For purposes of this case, the undersigned considers the following groupings of comparables:

Primary comparables: Sheboygan County, Waukesha County,
Washington County

Secondary comparables: Cedarburg, Grafton, Mequon, Port
Washington and Thiensville

Peripheral comparables: Racine County and Fond du Lac County

Among the primary comparables, two counties, Waukesha and Washington, may require contributions toward health insurance premiums by employees, depending upon the coverage selected. Employees of Sheboygan County make no contribution toward health insurance premiums.

Among the secondary comparables, employees in Grafton, Cedarburg and Port Washington do not contribute toward the payment of health insurance premiums, at least they did not for 1989. In Thiensville, an employee may be required to contribute toward the health insurance premium depending upon whether the employee selects the standard plan or an HMO. In Mequon, for 1990, all employees will contribute at least \$10 per month toward the single or family plan and possibly more depending upon the type of plan selected.

Among the peripheral comparables, Fond du Lac County employees contribute a minimum of \$4.54 monthly toward the single plan and \$17.49 monthly toward the family plan for 1990. Based on the evidence, it appears that for 1990, Racine County agreed to contribute \$260 monthly toward health insurance premiums (Union Exhibit 39). In its brief at page 9, the Union listed the health insurance cost for Racine County at \$296.39, suggesting Racine County employees contribute in excess of \$36.97 monthly toward the family health insurance premium for 1990.

In the majority of the comparables, some form of contribution toward health insurance premiums exists. Two of the three primary comparables have employe participation in the payment of health insurance premiums, two of the five secondary comparables require some form of employe participation, and both peripheral comparables provide for some employe participation.

The Union notes that of the combined comparables selected by the parties, only three of the eleven require any contribution toward the single health insurance premium. The Union further notes that in a number of the comparables where employes contribute toward the payment of insurance premiums the employers have provided a plan, through an HMO or a deductible, which does not require employe contribution toward the family premium. The the County has not offered such a plan in the instant case.

Some of the comparables do not require employe contributions toward the payment of the single plan premium. Additionally, some of the employers who require employe contributions toward family plan premiums for the standard plan provide an alternative plan which does not require employe contributions, generally an HMO or some form of co-payment. The issue in the instant dispute isn't under what circumstances will employes contribute toward the payment of their health insurance premiums; the issue is whether employes will contribute under any circumstances. The Union is seeking to retain the existing contract language which provides in relevant part, "The Employer shall pay the full cost of health insurance. . ." Based on the evidence, language such as that which was contained in the 1987-1988 contract, and which the Union is seeking to retain in these proceedings, is no longer the predominant language regarding the payment of health insurance premiums. Employe participation, in some form, is becoming the norm. Admittedly, the County's final offer does not include certain provisions which are contained in other contracts, i.e., no payment

toward a single plan premium and an alternative coverage (an alternative to the standard plan) which would require no employe payment. However, the Union's final offer contains none of the conditions which exist under the majority of comparable agreements. Regarding this issue, the external comparables support the County's position.

The other comparability grouping which must be considered is the internal comparables--other bargaining units within the County. The evidence establishes that two of the bargaining units are presently contributing to the payment of health insurance in the same manner as proposed by the County. In this regard the Union notes that unrepresented employes have their insurance paid in full, and to require employes of the Sheriff's Department to contribute to their health insurance would result in a morale problem. Such argument would be more persuasive if two other units had not already agreed to contribute to their health insurance premiums. There is no evidence to indicate that if this unit contributed to the payment of health insurance premiums the morale of this unit would be affected any more adversely than those which already contribute toward the cost of health insurance. Additionally, it is not unusual to find that managerial employes receive different wages and benefits than organized employes.

A further argument is advanced by the Union that the County has not offered a quid pro quo for the significant change in contract language it is seeking. It is generally recognized by arbitrators that where a party is seeking to introduce a new or novel provision into the collective bargaining agreement the party making such a proposal may be expected to provide a quid pro quo. First, it must be stated that the County's proposal to have employes participate in the payment of health insurance premiums is not a new or novel idea. Additionally, as noted by the Union in its brief, a significant change

may be made without granting a quid pro quo if the change has been made with other employes without the granting of a quid pro quo. There is nothing in the record to suggest that the other two units that agreed to contribute toward the payment of health insurance premiums received a quid pro quo for such agreement.

Based on the evidence, it must be concluded that employe contribution to health insurance premiums is an established fact among the majority of the comparables. In view of this fact, the undersigned can find no basis for awarding the Union's position.

There is another issue raised by the Union which is deserving of comment. The Union argues that major changes in an agreement, such as the County's proposal in this case, should be addressed in collective bargaining rather than in arbitration. It would certainly have been preferable if the parties could have resolved the issue of employe contribution toward insurance at the bargaining table; however, they were unable to do so. Where one party opposes the basic concept of a change, there is no alternative for the other party than to proceed to the impasse procedure in an attempt to obtain the change. Arbitrator Petrie addressed this precise issue in Mukwonago School District, supra, when he stated:

"A union dedicated to avoidance of change in a context where all impasses moved to binding interest arbitration, rather than being open to strikes and lockouts, could forever preclude an employer from achieving change, even where it was desirable or necessary, and/or where the change had achieved substantial acceptance elsewhere."

It is recognized that the cost of insurance is becoming one of the major issues facing employers and employes alike. In an attempt to deal with this issue, more and more employers are seeking to make employe participation in the payment of health insurance premiums an issue to be dealt with across the bargaining table. More and more unions are recognizing the legitimacy of such

an approach, and are further recognizing that innovative means must be adopted by the parties in order to protect the mutual interests of both parties. This can be better served when the issue of insurance is addressed jointly by the parties in the bargaining process.

The issue of wages is not the controlling issue in this case as the parties are only .25% apart over the term of the agreement. The controlling issue is whether employes should contribute toward their health insurance premiums. The undersigned is of the opinion that based on both internal and external comparables the County's final offer is to be preferred over that of the Union.

Based on the above facts and discussion thereon, and having duly considered the statutory criteria, the undersigned issues the following

AWARD

That the County's final offer be incorporated into the 1989-1990 collective bargaining agreement.



Neil M. Gundermann, Arbitrator

Dated this 7th day
of May, 1990, at
Madison, Wisconsin.