

# COMPREHENSIVE REPORT

*to the Community Health membership of the*

**Hospital Employees' Union**

*on the tentative agreement reached between the*

**Community Health Bargaining  
Association**

**and**

**Health Employers Association of BC**

December 18, 2013







HOSPITAL EMPLOYEES' UNION

# BACKGROUND

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## Community Health Bargaining Association reaches five-year tentative agreement

The Community Health Bargaining Association (CBA) – which covers about 1,500 HEU community health members – reached a tentative agreement in late November for more than 15,000 union members working in the community health sector across the province.

It's a five-year agreement, effective April 1, 2014 until March 31, 2019.

As the CBA's lead negotiator, the B.C. Government and Service Employees' Union (BCGEU), and other unions, entered into early coordinated talks with the Health Employers Association of BC (HEABC), the Community Social Services Employers' Association (CSSEA) and the provincial government in order to find common ground to reach settlements at three major tables.

The CBA represents Community Health Service and Support workers, which includes members who provide services to seniors and others in their own homes, alcohol and drug counsellors, members who work with adults and children in community settings, and those providing administrative support to other health care workers.

### **Negotiating framework**

It was clear from HEU's community health bargaining conference that this sector's members' priorities included wage increases, employment security, and maintaining current benefit levels.

The CBA, which began talks in early November, was seeking an agreement that would address those priorities. HEABC agreed to this basic framework and talks continued for four weeks.

On November 30, the parties reached a tentative settlement. While the CBA has recommended ratification of the agreement, the HEU Provincial Executive is not making a recommendation on whether members should ratify the deal.

### **Highlights of the proposed settlement**

*This tentative agreement contains several improvements:*

- wage increases totalling 5.5 per cent over five years for all members, including members whose wages were red-circled

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- Economic Stability Dividend in four of the five years provides the possibility for further wage increases, if economic growth exceeds forecast growth
- compensation comparability with the facilities subsector
- benefit improvements to level up to facilities
- renewal of employment security provisions
- increased mileage and meal allowances
- additional funding for Enhanced Disability Management Program
- seniority accrual while on sick leave
- a Benchmark Review Joint Working Committee

### ***Wage increases***

- April 1, 2015 – one per cent (1.0%)
- February 1, 2016 – Economic Stability Dividend
- April 1, 2016 – one-half per cent (0.5%)
- February 1, 2017 – one per cent (1.0%) + Economic Stability Dividend
- April 1, 2017 – one-half per cent (0.5%)
- February 1, 2018 – one per cent (1.0%) + Economic Stability Dividend
- April 1, 2018 – one-half per cent (0.5%)
- February 1, 2019 – one per cent (1.0%) + Economic Stability Dividend

### ***Economic Stability Dividend***

If actual real GDP exceeds the forecasted real GDP, a conditional percentage wage increase (amounting to 50 per cent of the difference) would be applied to the hourly wage rate at the first pay period after February 1 of 2016, 2017, 2018 and 2019.

### ***Wage comparability adjustments***

The new agreement provides for wage comparability adjustments totaling two per cent (2%) over the final three years for members with occupations similar to those covered by the facilities subsector agreement. An amount equal to 1.6 per cent of payroll will be added to the wages of members who work in comparable occupations. These comparability increases are a first step in addressing the wage gap that members have identified as a priority for bargaining.

The two per cent (2%) comparability wage increases will be directed to 80 per cent of the members. A committee of five members appointed by the unions and five members appointed by HEABC will review wage rates for occupations in the community subsector and the facilities subsector, and identify occupations that will qualify for the comparability increases.

If the committee is unable to agree on which occupations are eligible for a comparability adjustment, it will refer its differences to arbitrator Vince Ready.

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***Wage comparability adjustment rates***

- April 1, 2016 – one per cent (1.0%)
- April 1, 2017 – one-half per cent (0.5%)
- April 1, 2018 – one-half per cent (0.5%)

***Increased benefit coverage***

The new agreement provides for increased health and welfare benefits to help close the gap with the facilities subsector agreement. In addition, the new agreement addresses problems that some members encountered when moving to the PharmaCare tie-in.

*The improvements to benefits are detailed in the attached bulletin.*

***Contracting out and re-tendering provisions are maintained***

The existing provisions for employment security and protection against contracting out have been maintained. The trigger will remain at 500 for the life of this five-year agreement. Members were clear in their demand that this provision be maintained and the bargaining committee fought back any attempt to amend this clause.

***Increased mileage and meal allowances***

The mileage and meal allowances have been increased to the level of the public service agreement. Please note that the settlement framework shows the incorrect meal allowances. The correct rates are below.

***Meal allowances***

<b>Meal</b>	<b>November 7, 2012</b>	<b>April 1, 2016</b>	<b>April 1, 2018</b>
<b>Breakfast</b>	\$11.75	12.00	12.00
<b>Lunch</b>	\$13.50	13.80	14.00
<b>Dinner</b>	\$22.75	23.25	24.00

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***Mileage rates***

<b>Date</b>	<b>Rate per km</b>
<b>April 1, 2013</b>	\$0.52
<b>April 1, 2016</b>	\$0.53
<b>April 1, 2018</b>	\$0.54

***Joint Community Benefits Trust***

A Joint Community Benefits Trust (JCBT) will be established on September 30, 2015. On April 1, 2016, the jointly run JCBT will take over the management and decision-making of community health and welfare benefits, including extended health, dental, accidental death and dismemberment and long-term disability benefits.

The employer will continue to be responsible for medical services plan benefits.

A working group made up of an equal number of members appointed by the Association and HEABC will be formed no later than September 30, 2014. The working group will develop the operational structure for the JCBT, and on September 30, 2015, the trust will begin operations and the working group will be dissolved. The working group can refer any matter relating to the establishment of the JCBT to arbitrator Joan Gordon for resolution.

A board of trustees will govern the JCBT. Both the CBA and HEABC will each appoint an equal number of trustees and a chair. The trustees will have the authority to make changes to the benefit providers and the benefits plans.

The union representatives will have full control over any changes to Extended Health, Dental, Life Insurance and Accidental Death & Dismemberment. Changes to the Long-Term Disability (LTD) benefits will require consensus between the employer representatives and union representatives.

On April 1, 2016, all employers will obtain benefits through the JCBT. Based on an agreed to formula, employers will make monthly payments for benefits to the trust.

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To provide sufficient funding for reasonably anticipated benefit costs, the tentative agreement provides three levels of security:

- The employers will increase their base funding to the trust by an amount equal to the percentage wage increases in each year of the collective agreement.
- HEABC will pay \$2.4 million to the trust over the term of the collective agreement to provide for reasonably anticipated benefits costs.
- If there are any increased costs due to increased LTD utilization, the employers will pay the first two per cent of these increases. The JCBT will be responsible for increased utilization costs over two per cent and up to four per cent. The trust and the employers will share equally the increased utilization costs above four per cent.

*The tentative agreement contains two additional provisions to further increase security:*

- The CBA's joint participation in the Enhanced Disability Management Program (EDMP) is designed to assist ill and injured workers to recover their health and return to work sooner. This will help stabilize LTD utilization.
- An additional \$1.5 million will be added to the fund over the term of the agreement and the employer will pay \$500,000 annually hereafter as a comparability increase. This is intended to provide increased security against benefit cost increases after 2019.

Based on this funding model, and taking into account reasonably anticipated benefits costs, benefits professionals confirm that the JCBT will have more than 100 per cent of the funds necessary to pay for benefits.

The details of the agreement to form the JCBT and the details of the governance and funding for the trust are found at Appendix B of the settlement framework.

### ***Enhanced Disability Management Program***

In the last round of bargaining, we agreed to establish and participate in the Enhanced Disability Management Program (EDMP). This program is designed to assist ill or injured members in obtaining timely medical assistance and in returning to work. HEABC has agreed to increase funding for this program from \$408,000 annually to \$816,000 annually by April 1, 2017; this additional funding will assist our union to participate fully in this program.

### ***Other proposed changes:***

- The tentative agreement provides for the establishment of a committee to review the current shift premiums. The shift premiums in this sector fall far short of those paid in the facilities subsector.

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- The employer will be required to notify the union within three business days when a member has been disciplined or dismissed. The previous notice period was five days.
- Members will now earn seniority while on sick leave – this is true whether or not they are being paid for the sick leave. These amendments are contained in Article 11.1 and Appendix 2 of the framework agreement.
- Members will be paid for all hours worked when the hours of work change due to a shift from standard to daylight savings time and vice-versa. All hours will be at straight time rates of pay.
- A review of the administrative series benchmarks, starting with AS1 through 6, will commence during the term of this collective agreement. The CBA and the employer will also investigate the need to establish a benchmark for the positions of Medical Office Assistant and the Rehabilitation Assistant. A joint working committee will be formed within 30 days of ratification to commence this important work.
- We have agreed that the list of employers found at Appendix 1 in the collective agreement may be at variance with the list issued by the B.C. Labour Relations Board. This change will reduce the length of time it takes to produce the collective agreement.
- Classification referee Rod Germaine has retired, and we have agreed that arbitrator Judi Korbin will replace him.
- The employer has agreed that unresolved administrative issues related to LTD claims will be referred to the claims adjudication committee for resolution. If the issue remains unresolved, it will be referred to the bargaining principals for resolution. This will assist in expediting the resolution of LTD appeals.

*December 18, 2013*





## COMMUNITY HEALTH BARGAINING FACT SHEET:

# How will your benefits change?

*Changes to community health benefits as a result of moving to the facilities subsector plan, effective October 1, 2015:*

### For all Community Health members:

- The pre-existing condition exclusion will be removed from the Long-Term Disability (LTD) plan.
- Members on LTD, who accept an offer under the Early Retirement Incentive Benefit program, will be able to choose to maintain their Extended Health and Dental benefits to age 65. Premiums will be shared 50/50 provided the employee pays her or his portion of the premium in advance, on a monthly basis.
- Prometrium will be added as an exceptional covered prescription drug.
- Wigs and hairpieces will be reimbursed at 80 per cent of the lifetime maximum.
- Medical Referral transportation benefits will be added, and will be unlimited for a beneficiary's lifetime.
- PharmaCare's Low Cost Alternative (LCA) and Reference Based Drug (RBD) programs will apply
- **LCA:** reimbursement is based on the lowest cost generic drug. If you choose to use the brand name, you are reimbursed only up to the LCA price. If you cannot take a low-cost alternative because you are allergic to one of its non-medicinal ingredients, your health care practitioner can request special authority coverage for another drug in the category.
- **RBD:** applies to five therapeutic classes of drugs (about 20 specific drugs). Members are reimbursed based on the most cost-effective drug within the class (reference drug). The RBD currently applies to five classes of drugs: Histamine 2 receptor Blockers (H2 Blockers), Non-Steroidal Anti-inflammatory drugs (NSAIDS), Nitrates, Angiotensin Converting Enzyme Inhibitors (ACE inhibitors), and Dihydropyridine Calcium Channel Blockers (Dihydropyridine CCBs). If you cannot take the reference drug because you are allergic to one of its non-medicinal ingredients, your health care practitioner can request Special Authority coverage for another drug in the category.

### *What won't change as a result of moving to the facilities subsector plan:*

- The effective date for benefits will remain the first day of the month following a member passing probation.

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- The reimbursable amount for prescription dispensing fees will continue to be \$10 per prescription or the maximum allowed by PharmaCare, whichever is greater.
- The dental plan will remain unchanged, including the nine-month recall period.
- Massage therapy will remain unchanged with an annual maximum of \$1,000, reimbursed at 80 per cent of the annual maximum.
- All other provisions under the Health & Welfare plans are currently equivalent to those provided to those members covered by the facilities subsector collective agreement.
- All benefit levels contained in the Superior Benefits Memorandum, including STIIP and Extended Health deductibles of less than \$100 remain unchanged.

***Immediate changes to benefits (effective October 1, 2013)***

**Members with Superior Benefits who moved to the PharmaCare tie-in in the 2012–2014 collective agreement will receive the following new benefits:**

- 50 per cent coverage for prescription drugs not covered by PharmaCare.
- *For prescription drugs requiring Special Authority:*
  - If, on or after October 1, 2013, a member receives a special authority after paying 50 per cent of the cost of a prescription, they will be reimbursed the portion of the 50 per cent upon submission of the approval documentation and the receipt to the benefit provider (e.g. Blue Cross) – to a total of 80 per cent of the cost of the prescription.
  - If, on or after October 1, 2013, a member paid 100 per cent of a prescription cost for a drug requiring Special Authority, they will receive a reimbursement of 80 per cent upon submission of the Special Authority approval documentation and the receipt.

**Note:** Superior Benefits Memoranda of Agreement remain in effect including lower deductibles for health & welfare benefits and STIIP provisions.

*December 18, 2013*

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**MEMORANDUM OF AGREEMENT**

*between*

**Health Employers Association of British Columbia (HEABC)**

*and*

**Health Services and Support - Community Subsector Bargaining Association (CBA)**

**TERMS OF SETTLEMENT**

The parties hereby agree that the attached document and any other provisions previously agreed to constitutes a settlement of a new Collective Agreement between them and further agree to recommend to their respective principles the ratification of this Agreement. The parties acknowledge that any provisions not addressed herein remain as per the language of the current Collective Agreement. All Articles agreed up to and including November 30, 2013 remain agreed. Any proposal or issue not included in the Terms of Settlement from the original list of proposals submitted by either party is deemed to be withdrawn.

The terms of the agreement shall be from April 1, 2014 until March 31, 2019. All amendments of the Collective Agreement shall become effective on the date of ratification except as otherwise noted.

*Agreed to*

\_\_\_\_\_  
*Signed on behalf of the Union*

\_\_\_\_\_  
*Signed on behalf of the Employer*

\_\_\_\_\_  
*Signed on behalf of the Employer*

*Dated:* \_\_\_\_\_

**SETTLEMENT FRAMEWORK**

**HEABC/CBA COLLECTIVE BARGAINING – 2013**

This offer is contingent upon conclusion of tentative agreements between the Public Service Agency and the BCGEU, and between CSSEA and the Community Social Services Bargaining Association no later than midnight November 30, 2013 (or such later time agreed to by HEABC).

**1. TERM**

The term of the renewed Collective Agreement will be from April 1, 2014 to March 31, 2019

**2. WAGES**

Wage rates for all employees covered by the Community Bargaining Association Collective Agreement will increase starting the first pay period after the following dates and at the respective rates:

▪ April 1, 2015	1.0%
▪ February 1, 2016	Economic Stability Dividend
▪ April 1, 2016	.5%
▪ February 1, 2017	1.0% + Economic Stability Dividend
▪ April 1, 2017	.5%
▪ February 1, 2018	1.0% + Economic Stability Dividend
▪ April 1, 2018	.5%
▪ February 1, 2019	1.0% + Economic Stability Dividend

**3. ECONOMIC STABILITY DIVIDEND**

Members of CBA will be eligible for general wage increases from the Economic Stability Dividend as described in Appendix A, "Economic Stability Dividend".

**4. COMPARABILITY ADJUSTMENTS**

(A) Compensation Comparability Adjustments - Wages

HEABC will increase wage rates for eligible CBA members effective the first pay period after each of April 1, 2016, April 1, 2017, April 1, 2018.

This additional wage increase is intended to support stabilization in service delivery and will be fully utilized and not exceed:

- April 1, 2016 .8% of straight time payroll for the period April 1, 2015 to March 31, 2016;
- April 1, 2017 .4% of straight time payroll for the period April 1, 2016 to March 31, 2017;
- April 1, 2018 .4% of straight time payroll for the period April 1, 2017 to March 31, 2018;

Eligibility will be determined through the following process:

(a) Within thirty days after ratification, the parties will form an Occupation Comparability Review Committee composed of five members appointed by HEABC and five members appointed by CBA.

(b) The Committee will undertake a review of wage rates for CBA occupations compared to similar occupations in the Health Services and Support – Facilities Subsector Collective Agreement.

(c) The Committee will determine eligibility no later than October 31, 2015 for a comparability wage adjustment of those occupations where:

- The occupation has a comparator occupation in the Health Services and Support Facilities Subsector Collective Agreement;
- The difference in wage rates is adversely affecting the provision of service to clients;
- There is a reasonable expectation that the comparability wage adjustment will reduce this adverse impact; and
- The comparability wage adjustment will not create additional demands in other sectors.

(d) The expenditure resulting from the Committee's determination of eligible occupations must be fully utilized but cannot exceed the specified percentages of straight time payroll set out above.

(e) If the Committee is unable to agree on which occupations are eligible for a comparability adjustment, it will refer its differences to arbitrator Vince Ready.

(f) The arbitrator must issue a decision no later than December 31, 2015 identifying those occupations eligible for a wage comparability adjustment.

(g) The arbitrator is bound by clause (c) above and the effect of his decision on eligibility must fully utilize and cannot exceed the percentage of straight time payroll specified above.

(h) Wage rates for eligible employees will increase starting the first pay period after the following dates and at the respective rates:

- 1.0%            April 1, 2016
- .5%             April 1, 2017
- .5%             April 1, 2018.

**(B) Compensation Comparability Adjustments - Benefits**

In addition to the wage comparability adjustments, health and welfare benefits will be amended to equal benefits comparable to those provided to FBA members as described in Appendix E.

## 5. HEALTH AND WELFARE BENEFITS

The parties agree to the new structure of arrangements for providing health and welfare benefits for CBA members as described in Appendix B, "Health and Welfare Benefits".

## 6. MEMORANDUM OF AGREEMENT # 20 RE: CONSEQUENCES OF CONTRACTING OUT/RE-TENDERING BY HEALTH AUTHORITIES

Memorandum #17 is renewed as amended in Appendix C.

Memorandum #16 is extended to March 30, 2019.

## 7. MILEAGE AND MEAL ALLOWANCES

Mileage rates will be:

Date	Rate per km
April 1, 2013	52¢
April 1, 2016	53¢
April 1, 2018	54¢

**Same as rates agreed to in PSA agreement**

Meal allowances will be:

### 27.9 Meal Allowances

Employees on travel status away from their headquarters shall be entitled to a meal allowance for the time spent away from headquarters.

April 1, 2016	
Breakfast	\$11.75
Lunch	\$13.50
Dinner	\$23.00

April 1, 2018	
Breakfast	\$12.00
Lunch	\$14.00
Dinner	\$24.00

**Same as rates agreed to in PSA agreement**

## 8. ENHANCED DISABILITY MANAGEMENT

- (a) HEABC and CBA agree to improve the Enhanced Disability Management Program.
- (b) The parties will meet within 30 days of ratification of the tentative agreement.
- (c) The EDMP will be effective no later than April 1, 2014.

(d) Effective April 1, 2015, the Employer will contribute \$204,000 annually to support funding for additional disability management representatives and their reasonable expenses.

(e) Effective April 1, 2017, the Employer will contribute \$204,000 annually to support funding for additional disability management representatives and their reasonable expenses.

(f) At HEABC'S request, CBA will provide HEABC with a report no more than once per year on the allocation of funds used to support EDMP representatives.

#### **9. AGREED TO LANGUAGE**

The Collective Agreement will be amended to incorporate other language items already agreed to and set out in Appendix D

#### **10. SHIFT PREMIUM REVIEW COMMITTEE**

The parties agree to strike a committee with equal numbers from each party to review whether implementation of shift premiums would have a beneficial impact on service delivery.

#### **11. EFFECTIVE DATES**

The Agreement will be implemented 30 days after ratification, unless otherwise specified

## APPENDIX A

### LETTER OF AGREEMENT

Between

HEALTH EMPLOYERS ASSOCIATION OF BC ("HEABC")

And

COMMUNITY BARGAINING ASSOCIATION OF BC ("CBA")

### Re ECONOMIC STABILITY DIVIDEND

#### Definitions

1. In this Letter of Agreement:

"Collective agreement year" means each twelve (12) month period commencing on the first day of the renewed collective agreement. For example, the collective agreement year for a collective agreement that commences on April 1, 2014 is April 1, 2014 to March 31, 2015 and each period from April 1 to March 31 for the term of the collective agreement.

"Economic Forecast Council" means the Economic Forecast Council appointed under s. 4 of the *Budget Transparency and Accountability Act*, [S.B.C. 2000] c. 23;

"Forecast GDP" means the average forecast for British Columbia's real GDP growth made by the Economic Forecast Council and as reported in the annual February budget of the government;

"Fiscal year" means the fiscal year of the government as defined in the *Financial Administration Act* [1996 S.B.C.] c. 138 as 'the period from April 1 in one year to March 31 in the next year';

"Calendar year" is a twelve (12) month period starting January 1st and ending December 31st of the same year based upon the Gregorian calendar.

"GDP" or "Gross Domestic Product" for the purposes of this LOA means the expenditure side value of all goods and services produced in British Columbia for a given year as stated in the BC Economic Accounts;

"GWI" or "General Wage Increase" means a general wage increase resulting from the formula set out in this LOA and applied as a percentage increase to all wage rates in the collective agreement on the first pay day after the commencement of the eleventh (11th) month in a collective agreement year;

"Real GDP" means the GDP for the previous fiscal year expressed in constant dollars and adjusted for inflation produced by Statistics Canada's Provincial and Territorial Gross Domestic Product by Income and by Expenditure Accounts (also known as the provincial and territorial economic accounts) and published as "Real Gross Domestic Product at Market Prices" currently in November of each year.

#### The Economic Stability Dividend

2. The Economic Stability Dividend shares the benefits of economic growth between employees in the public sector and the Province contingent on growth in BC's real GDP.



3. Employees will receive a general wage increase (GWI) equal to one-half (1/2) of any percentage gain in real GDP above the forecast of the Economic Forecast Council for the relevant calendar year.
4. For greater clarity and as an example only, if real GDP were one percent (1%) above forecast real GDP then employees would be entitled to a GWI of one-half of one percent (0.5%).

#### **Annual Calculation and publication of the Economic Stability Dividend**

5. The Economic Stability Dividend will be calculated on an annual basis by the Minister of Finance for each collective agreement year from 2015/16 to 2018/2019 and published through the PSEC Secretariat.

6. The timing in each calendar year will be as follows:

- (i) February Budget – Forecast GDP for the upcoming calendar year;
- (ii) November of the following calendar year – Real GDP published for the previous calendar year;
- (iii) November - Calculation by the Minister of Finance of fifty percent (50%) of the difference between the Forecast GDP and the Real GDP for the previous calendar year;
- (iv) Advice from the PSEC Secretariat to employers associations, employers and unions of the percentage allowable General Wage Increase, if any, for each bargaining unit or group with authorization to employers to implement the Economic Growth Dividend.

7. For greater clarity and as an example only:

For collective agreement year 3 (2016/17):

- (i) February 2015 – Forecast GDP for calendar 2015;
- (ii) November 2016 – Real GDP published for calendar 2015;
- (iii) November 2016 - Calculation of the fifty percent (50%) of the difference between the 2015 Forecast GDP and the 2015 Real GDP by the Minister of Finance through the PSEC Secretariat;
- (iv) Direction from the PSEC Secretariat to employers associations, employers and unions of the percentage allowable General Wage Increase, if any, for each bargaining unit or group with authorization to employers to implement the Economic Growth Dividend.

#### **Availability of the Economic Stability Dividend**

8. The Economic Stability Dividend will be provided for each of the following collective agreement years: 2015/16 (based on 2014 GDP); 2016/17 (based on 2015 GDP); 2017/18 (based on 2016 GDP); and, 2018/19 (based on 2017 GDP).

**Allowable Method of Payment of the Economic Stability Dividend**

9. Employers must apply the Economic Stability Dividend as a percentage increase only on collective agreements wage rates and for no other purpose or form.

## APPENDIX B

### MEMORANDUM OF UNDERSTANDING

Between:

HEALTH EMPLOYERS ASSOCIATION OF BC ("HEABC")

And:

COMMUNITY BARGAINING ASSOCIATION OF BC ("CBA")

#### Re: Health and Welfare Benefits

#### Definitions:

1. In this Memorandum:

"Benefits" means: LTD, AD&D, EHC, Dental and Life;

"Employer" means any employer certified to the CBA bargaining unit;

"Joint Community Benefits Trust ("JCBT") means a trust formed by HEABC and the CBA as required by this Memorandum.

#### Formation of the JCBT

2. The Parties agree to establish a working group ("Working Group") by September 30, 2014 to create the JCBT.

3. The Working Group will be composed of members with an equal number of members appointed by HEABC and CBA.

4. HEABC and CBA will each have one vote on the Working Group with any differences resolved by the adjudicator appointed under paragraph 27.

5. The JCBT shall be established by no later than September 30, 2015 unless agreed otherwise by the Parties.

6. Upon formation of the Working Group, HEABC will provide or cause the Healthcare Benefits Trust ("HBT") and HBT's contracted benefit providers to provide directly to HEABC or CBA all data reasonably requested by either the HEABC or CBA and their respective designated advisors for purposes of analyzing the future provision by the JCBT of benefits currently provided by the HBT. For purposes of clarity, such data will include but will not be limited to all data reasonably necessary to perform an actuarial valuation of the HBT or the JCBT.

7. HEABC, CBA and their respective members on the Working Group will maintain strict confidentiality in respect of the data.

8. HEABC will provide the CBA with reasonable funding, until the JCBT is formed, for costs incurred by the CBA in regard to the establishment and formation of the JCBT. Any further costs of this nature incurred by the CBA will be funded by the JCBT.

**Co-governance of the trust**

9. The JCBT will be governed by a board of trustees with an equal number of trustees appointed by each of HEABC and the CBA.

10. The parties will appoint as chair of the board of trustees a person with recent benefit experience.

11. The trustees appointed by HEABC will have one vote, the trustees appointed by CBA will have one vote and the chair will have one vote if there is a tie.

12. The union representatives on the JCBT will have the right to amend extended health, dental and life and accidental death and dismemberment benefits but any decision to amend LTD benefits will be made by consensus of the trustees.

**Benefit funding**

13. The Parties agree that the benefits provided under the collective agreement shall be maintained unless amended by the trustees.

14. The Parties, through the Working Group and with reference to paragraph four above, shall negotiate an agreed-upon benefits funding model expressed as a fixed percentage of regular straight-time payroll hours of those receiving benefits and payable by the Employer to the JCBT ("Benefits Funding"). The Benefits Funding will be transferred to, and be administered by, the JCBT commencing April 1, 2016.

15. By April 1, 2016, all employers must obtain benefits through the JCBT.

16. The Parties agree that the fixed percentage will be determined as the actual Employer cost of benefits from April 1, 2015 to March 31, 2016 divided by total regular straight-time payroll of those receiving benefits over the same period.

17. In determining the fixed percentage of regular straight time payroll of those receiving benefits under paragraph 15, the change in benefits effective on October 1, 2015 will be calculated as if those benefits had been in effect from April 1, 2015 until March 31, 2016.

18. The fixed percentage calculated under paragraph\_17 above will be adjusted for April 1, 2017 to March 31, 2018 to incorporate:

- (a) The effects of inclusion in HBT of employers previously obtaining benefits through a provider other than HBT; and
- (b) Any actuarial evaluation of costs of improving benefits in addition to the annualization of those costs under paragraph 16.

19. The Parties agree that the percentage determined for Benefits Funding pursuant to paragraphs 16, 17 and 18 shall remain fixed for the period April 1, 2016 to March 31, 2019 and will remain in effect except as amended by agreement of the parties and will be subject to renegotiation under any renewal collective agreement.

20. In addition to the funds transferred to the JCBT commencing April 1, 2016, HEABC will transfer to the JCBT:

- (a) \$500,000 expressed as a percentage of payroll for the reference period of April 1, 2015 to March 31, 2016 and each April 1 thereafter as a final contribution to comparability with benefits received by FBA members;
- (b) A one time payment of \$500,000 on April 1, 2016 and
- (c) A one time payment of \$1,000,000 on April 1, 2017
- (d) A one time payment of \$900,000 on April 1, 2018 in recognition of savings accruing to the employers in exchange for changes to the Early retirement Incentive Benefit.

21. HEABC will ensure interim funding as necessary for the JCBT between April 1, 2016 and October 1, 2016. The Working Group may enter into negotiations to effect an asset and liability transfer from HBT.

22. HEABC will indemnify and save harmless the CBA, its constituent unions, and the JCBT from any and all claims from HBT, the HEABC or the Government of the Province of British Columbia, including any exit levies from HBT or any other person or entity.

#### **Employer LTD risk obligation**

23. (a) "Wage increases" in this clause mean general wage increases, comparability wage increases and Economic Stability Dividend increases.

- (b) If the cost of LTD benefits as a result of utilization exceeds the growth in LTD costs resulting from wage increases:
  - (i) For April 1, 2017 to March 31, 2018, the increase above wage increases over the period from April 1, 2016 to March 31, 2017;
  - (ii) For April 1, 2018 to March 31, 2019, the increase above wage increases over the period from April 1, 2017 to March 31, 2018;
- (c) Health employers will pay to the JCBT an amount equal to the first two-percent (2.0%) of the increased utilization cost of LTD benefits and fifty percent (50%) of the costs resulting from increased utilization that exceed four percent (4%).

#### **Benefit procurement**

24. Until March 31, 2017, the JCBT must obtain coverage through the Healthcare Benefit Trust and thereafter the JCBT may obtain coverage through alternative providers.

### **Benefits**

25. Subject to available funding, the trustees of the JCBT can redesign the benefits.

### **Discretionary appointment to the HBT Board**

26. Subject to the approval of HEABC as settlors of the HBT, the trustees of the JCBT may designate one HEABC trustee and one CBA trustee to serve as trustees of the Healthcare Benefit Trust.

### **Dispute Resolution**

27. HEABC and CBA agree that any issue whatsoever relating to the interpretation, application or alleged violation of this Memorandum shall be remitted to Joan Gordon for binding determination. For clarity, Joan Gordon's jurisdiction includes any disputes arising out of the Working Group up to and including the date on which the JCBT is fully operational.

## APPENDIX C

### MEMORANDUM OF AGREEMENT #17 Consequences of Contracting Out/Re-Tendering by Health Authorities

#### Re: Consequences of Contracting Out/Re-Tendering by Health Authorities

1. For the purposes of this Memorandum of Agreement, contracting out occurs when employees are laid off as a direct result of their employer contracting out work presently performed by employees covered by the Collective Agreement and where employees are not re-employed by another employer covered by this Collective Agreement ("Contracting Out").
2. Re-tendering occurs when employees are laid off as a direct result of a Health Authority re-tendering a contract for services previously held by an employer and when the successful proponent of the contract for services is not a party to the Community Subsector Collective Agreement and where employees are not re-employed by another employer covered by this Collective Agreement ("Re-tendering").
3. Following layoffs due to contracting out or re-tendering, a summary of activity will be generated and a copy provided to the Community Bargaining Association.
4. The trigger established in this Memorandum of Agreement is established at 500 FTEs based on approximately 9856 FTEs in the Community Subsector. The trigger will increase by 25 FTEs for every incremental increase of 500 FTEs in the number of FTEs in the Community Subsector.
5. In the event that the number of FTEs laid off due to Contracting Out or Re-tendering is within the trigger, laid off employees will be entitled to the following severance pay: one week for every two years of service to a maximum of 10 weeks pay, prorated for regular part time employees.
6. In the event that the FTEs laid off due to contracting out or re-tendering exceeds the trigger, then any subsequent employees laid off as a result of employers contracting out or re-tendering will be entitled to the following severance pay: one week of pay for every year of service to a maximum of 20 weeks of pay, prorated for part-time employees.
7. Where a single initiative involves the laying off of employees both within and in excess of the trigger, the most senior employees will be deemed to be those laid off in excess of the trigger.
8. An employee's service shall be calculated on the basis of their continuous employment as a regular status employee. Length of service for a regular employee shall include straight time paid hours as defined by Article 11.1(b). Length of service for a regular part-time employee shall be calculated as follows:
  - a) Total straight-time hours paid divided by full-time weekly hours, then
  - b) Weeks of service to be divided by 52 weeks to give years of service for the purpose of the severance pay.
9. No severance is payable where an employee, before or during her recall period, finds another job (for example, by bumping, posting into a vacancy, or by registering as a casual employee) with the same or

another health sector employer within the same or another bargaining unit.

10. The severance allowance shall be paid upon the conclusion of the employee's recall period. Alternatively, only in the case of contracting out, it may be paid upon an employee's waiver of rights to recall, in which case it will be payable upon the conclusion of the employee's notice period or waiver of rights, whichever is later.

11. In the case of re-tendering, a displaced employee who has no bumping or vacancy posting options available at their current employer shall be entitled to apply for registration as a casual employee in any job classifications within a single Collective Agreement Employer of a Health Authority in accordance with the Employment Opportunities Memorandum of Agreement.

12. This Memorandum of Agreement will expire and be extinguished for all purposes on March 30th, 2019.



## APPENDIX D - ITEM 8 AGREED TO LANGUAGE

### 7.4 Community Health Joint Committee

**\*\*Parties agree to refer to the 7.4 (Community Health Joint Committee):**

1. *Live-in and Overnight Shifts (15.14)*
2. *Collective Agreement Administrative Review for Affiliates Only*

### 10.2 Dismissal, Suspension or Disciplinary Grievance

All dismissals, suspensions and other discipline will be subject to the grievance procedure under Article 8 (Grievances). ~~Two copies~~ **A copy** of the written notice of dismissal or suspension shall be forwarded to the Union designate within ~~five days~~ **three business days** of the action being taken.

### 11.1 Seniority Defined

- (a) Seniority shall be defined as the length of the employee's continuous employment with the Employer, and shall accumulate, based on straight-time paid hours since the most recent date of employment with the Employer, including service prior to certification of the Union.
- (b) Straight-time paid hours shall include time spent on:
  - (1) paid holidays;
  - (2) paid vacation;
  - (3) leave during which time an employee is in receipt of wage-loss benefits from the WCB pursuant to Sections 29 or 30 of the *Workers' Compensation Act* in respect of a claim from this Employer. For the purpose of this provision, applicable leave shall also include time during which an employee is receiving WCB benefits other than wage-loss benefits pursuant to Sections 29 or 30 of the *Act*, so long as the employee is otherwise entitled to benefits under those Sections;
  - (4) ~~paid~~ sick leave;
  - (5) union leave;
  - (6) maternity, parental and adoption leave;
  - (7) other approved paid leaves of absence.

For the purpose of parts **four and six** above, straight-time paid hours shall be estimated based on the average weekly straight-time paid hours in the one-half payroll year preceding the leave. Where the employee has been employed for less than one-half payroll year, straight-time paid hours shall be based on the employee's average weekly straight-time hours paid since date of hire.

**\*\*Changes to this Clause will come into effect the 1<sup>st</sup> pay period after April 1, 2014.**

## 12.6 Notice to Union

Two (2) copies **A copy** of all postings shall be sent to the designated Union representative within the aforementioned seven calendar days. **The copy may be sent electronically, faxed or via mail.**

## 27.16 Daylight Savings

**Employees shall be paid for actual hours worked when scheduled to work the nights of standard/daylight savings time changes. It is understood that this pay will be at straight time.**

### MEMORANDUM OF AGREEMENT #1

**Re: ~~Early Intervention Program~~**

**\*\*Delete and replace with EDMP language by March 31, 2014.**

### MEMORANDUM OF AGREEMENT #\_\_

**Re: Enhanced Disability Management Program (EDMP) Terms of Reference**

HEABC and CBA agree to meet within 30 days of ratification **to start** to develop the language for the EDMP consistent with Memorandum of Agreement #30 of the 2012 – 2014 Collective Agreement. **The language will be completed by March 31, 2014.**

#### ***Forms to be used by the EDMP in the Community Subsector***

**The parties agree in principle that the Ready Award (re: Facilities Bargaining Association EDMP, May 2, 2013) will form the basis of the forms used for EDMP in this sector.**

**HEABC and CBA will mutually agree on the forms. Vince Ready has jurisdiction to deal with any disputes arising over the forms.**

### MEMORANDUM OF AGREEMENT #XX

**Re: Benchmark Reviews**

During the term of this Agreement ~~the~~ Community Bargaining Association (CBA) and ~~the~~ Health Employers' Association of British Columbia (HEABC) will conduct a review of the Health Unit Aide benchmark and **will commence a review of** the benchmarks within the Administrative Series, **starting with AS 1 through 6**, to determine the accuracy of the benchmarks and to determine if there is a need to add, delete or revise benchmarks.

In addition, the parties will **investigate the need to** establish new benchmarks for the following jobs:

- Medical Office Assistant
- Rehabilitation Assistant

***Joint Working Committee:***

The CBA and the HEABC **The parties will appoint representatives to a Joint Working Committee within 30 days of ratification. The committee will be comprised of equal representation from the CBA and the HEABC.**

If the Joint Working Committee determines that new benchmarks are required, they will be developed during the term of this agreement.

In the event third party assistance is required the process contained in Schedule C will be used to resolve the issues.

There will be no cost consequences to **the Employer** as a direct result of this review during the term of this agreement. **For greater clarification, any new benchmarks established by the Joint Working Committee may be implemented but will be at no cost to the Employer, unless otherwise mutually agreed.**

**MEMORANDUM OF AGREEMENT #5**

**Re: ~~Certain Existing Collective Agreement Provisions (Seniority)~~**

***\*\*The parties agree to delete this MOA once the seniority issue that was referred to Joan Gordon in MOA #19 has been settled by the parties or an award has been received from Joan Gordon.***

**APPENDIX 1**

**List of Employers – Generated as of ~~August 2013~~ **October 2013**  
(Errors and Omissions Excepted)**

*Note: This list of Employers is in abbreviated form. For further information refer to the Consolidated Certification for the Community Subsector.*

**The following list of Employers is for information purposes only and may vary from the list of employers attached to the Community Subsector consolidated certifications issued by the Labour Relations Board, as amended from time to time. If there is an inconsistency between the two lists, the LRB certification lists and case law will apply.**

APPENDIX 2  
Long-Term Disability Insurance Plan

Section 1 - Eligibility

- (a) Regular full-time and regular part-time employees shall, upon completion of the probationary period, become members of the Long-Term Disability Plan as a condition of employment.
- (b) ~~Seniority and Benefits - Seniority accumulation and~~ Benefit entitlement for employees on long-term disability shall be consistent with the provisions of Article 20.6 (Benefits on Leave of Absence) of the Collective Agreement which reads:

*Benefits will not be earned or accrued when an unpaid leave of absence or an accumulation of unpaid leaves of absence exceeds 20 work days in a calendar year. Time off pursuant to Article 2.10 (Time Off For Union Business) shall not be taken into consideration.*

**\*\*Changes to this Clause will come into effect the 1<sup>st</sup> pay period after April 1, 2014.**

SCHEDULE C

Re: Job Evaluation and Classification

(9) Classification Dispute Resolution Process

- 9.1 The Classification Referee(s), Joan Gordon, Chris Sullivan, and ~~Red Germaine~~ **Judi Korbin**, shall be mutually agreed to by the HEABC and the Association. In the event that the parties are not able to reach mutual agreement, the Chairperson of the Labour Relations Board shall make the necessary appointment(s). By mutual agreement between the parties another Classification Referee may be named.

**LETTER OF UNDERSTANDING #3**

**Re: Claims Adjudication Committee**

**The parties agree that any administrative issues that arise related to the LTD plan and Appendix 2 of this Collective Agreement will be referred to the Claims Adjudication Committee for resolution. In the event an issue cannot be resolved through this committee the matter will be referred to the bargaining principals for resolution.**

## APPENDIX E - COMPARABILITY ADJUSTMENTS - BENEFITS

In addition to the wage comparability adjustments, health and welfare benefits will be moved to the FBA benefits plan effective October 1, 2015 as follows:

- The dental plan will be the same as the facilities plan except it will retain the 9 month recall period.
- Massage therapy will remain at \$1,000 per year maximum reimbursed at 80% of the annual maximum.
- PharmaCare's Low Cost Alternative and Reference Based Drug programs will apply to reimbursement of the cost of Prescription drugs.
- Prometrium will be added as an exceptional covered prescription drug.
- The cap on dispensing fees will remain at \$10 or pharmacare maximum.
- Wigs or Hairpieces will be reimbursed at 80% of the full lifetime maximum of \$500 per person.
- LTD – the pre-existing condition restriction will be removed.
- Medical Referral Transportation benefits will be unlimited for a beneficiary's lifetime.
- Those members who moved to a PharmaCare tie in during the 2012 – 2014 collective agreement will receive 50% reimbursement for drugs not covered by PharmaCare.
- Employees who apply for ERIB may choose to continue to maintain the Extended Health Benefit plan and Dental plan coverage to age 65. The premiums will be cost shared by the employer and employee on a 50 – 50 basis provided the employee pays her or his portion of the premium for such coverage in advance, on a monthly basis.