Final Bargaining Report CWA District 9 CWA & AT&T 2020-2024

A Message from Your District Vice President and Your

Elected Bargaining Committees

Dear CWA District 9 Brothers and Sisters:

Prior to expiration of our current Collective Bargaining Agreement your elected Bargaining Committee has reached a tentative agreement during unprecedented conditions.

Your elected Bargaining Team worked diligently to get every cent and every improvement possible at the table under the circumstances. Together we fought back against the following and we were successful: Capping of Article 8 Table, mandatory branded apparel for all customer facing employees, reduction of illness (paid) absence time, reduction of disability benefits, increased cost share for medical, increase to \$5000 de minimis threshold for GIIT, increased monitoring and recording of calls in call centers, reduction of B-Help support and zero improvements for Appendix E members.

Based on the surveys that were returned from the membership, your elected bargaining team worked tirelessly to achieve an agreement that would be beneficial to all employees. The highlights of what was achieved are below.

- 1. **Employment Security:** Article 2 and Article 8 were maintained, VSB language was improved, pooling MOA was maintained. One hundred (100) jobs will be placed in AUTS. Additional improvements to Appendix E, layoff table was increased by two (2) weeks to a maximum of eight weeks, 18 months access to AUTS was added for layoffs, increased layoff notification to 4 weeks and improved priority rehire language to include any title in the CBA.
- 2. Wages: 10.75% increase exponentially to all titles, compounded to 11.19%.
- 3. **Benefits:** Maintained medical, dental, vision at current cost share. 2016 new hires will now be considered "current" employees for medical bringing them from a 32% cost share to 29%. Retained the SSP and 401K.
- 4. Working conditions: COBC clarification letter, safety letter, improved meal allowance to \$10, eliminated split workdays in Appendix E, OT list for Appendix E will be provided to the locals monthly, current overtime rules maintained.
- 5. **Other Goals and comments:** Retained Horizons, added Nanodegrees, flights added to exploratory trips and we maintained neutrality and card check along with Successorship language.

Out of the top 21 items on the survey the following is a summary:

- 1. Base wage increase <u>achieved</u>.
- 2. Protect Healthcare <u>achieved</u>.
- 3. Retain 401K achieved.
- 4. Job security retained and limited improvements.
- 5. Stop movement of work did not achieve.
- 6. Eliminate Subcontracting did not achieve.
- 7. Pension band increase yes traditional no BCB2.
- 8. Preserve Article 2 achieved.
- 9. Retain SSP achieved.
- 10. Improve Vacation and time off did not achieve.
- 11. Ratification Bonus <u>achieved put into wages</u>.

- 12. Pension increase for retirees did not achieve.
- 13. Maintain/improve Overtime Language achieved.
- 14. Maintain/improve ESB/VSB maintained/improved.
- 15. Improve scheduling-6 day/weekends did not achieve.
- 16. Classroom training did not achieve.
- 17. Maintain/Improve differentials <u>achieved maintained</u>.
- 18. Tittle upgrades <u>did not achieve</u>.
- 19. Apprenticeship Program did not achieve.
- 20. Maintain/Improve Horizons Tuition aid achieved.
- 21. Improve expand Article 9 Safety <u>achieved</u>.

When negotiations started, we considered our current preparedness across the district in mobilization. We want to thank those that were prepared and active prior to the beginning of and through the negotiations. With this agreement every member will see an increase in their base salary. Over the life of the contract the average hourly pay will increase by \$3.79. Under this agreement, every member currently on the payroll will see improvements to his/her standard of living.

<u>CWA District 9 Vice President</u> Frank Arce <u>Assistant to District 9 Vice President</u> Domonique Thomas <u>CORE Bargaining Team</u> Lynn Johnson- Bargaining Chair, Art Gonzalez, Lou Mondragon, Jason Hall, John Miller

Final Bargaining Report CWA District 9-AT&T

Term of Contract

The Four-year contract is effective April 5, 2020 through April 6, 2024.

Wages and Other Compensation

The general wage increase will be effective on the following dates:

 April 5, 2020
 3%

 April 4, 2021
 3%

 April 3, 2022
 2.25%

 April 2, 2023
 2.5%

 For a compounded wage increase of 11.19%

The wage schedules will be modified to reflect this increase, exponentialized with no change in the start rate.

Employment Security

Retained and broadened Job Security provisions:

- Provide AUTS access to laid off Appendix E employees for 18 months.
- Added language to provide laid off Appendix E employees priority rehire to any title covered by the same Collective Bargaining Agreement.
- Increased layoff notification for Appendix E employees from 3 weeks to 4 weeks.
- Layoff table for Appendix E was increased by two (2) weeks to a maximum of eight (8) weeks.
- Continuation of uncapped Enhanced Severance Benefits (ESB).
- Retained MOA that Sales Consultant (Leverage rep) is not applicable to a Job Offer Guarantee.

Current Employees that continue to participate in the West Program will be eligible for the following pension band increases:

- 1.0% effective January 1, 2021
- 1.0% effective January 1, 2022
- 1.0% effective January 1, 2023
- 1.0% effective January 1, 2024

BCB2: (Covers any member hired after 2009)

No increase

Lump Sum

- Lump sum distributions of monthly pension benefits were maintained.
- Bargained Cash Balance Program #2 (BCB2) of the AT&T Pension Benefit Plan No change
- Bargained Cash Balance (BCB) No change

Benefit Changes for Active Employees Effective 01/01/2021

Kaiser Plan

Term of Kaiser Arrangement: Effective 1/1/2021 and terminates 12/31/2024.

Eligibility: Current Employees, 2009 New Hires, 2012 New Hires and 2016 New Hires, as defined in the Benefits MOA, subject to the Agreement residing in California only (Eligible California Employees). (For Healthcare purposes 2009, 2012 and 2016 New Hires will be considered current employees)

Plan Design: Same terms and conditions as provided by Kaiser to Current Employees who are Eligible California Employees in plan year 2020, subject to changes in law and the exceptions below (Kaiser Plan).

For 2009 New Hires, 2012 New Hires, 2016 New Hires and Current Employees:

Plan Year	2021	2022	2023	2024
Individual	\$149	\$152	\$154	\$156
Family	\$332	\$350	\$370	\$390
-				
For 2020 Ne	w Hires:			
Plan Year	2021	2022	2023	2024
Individual	\$172	\$175	\$178	\$180
Family	\$382	\$403	\$426	\$450

If the cost of Kaiser Plan to AT&T for the Plan Year is in excess of the cost to AT&T of the Company self-insured medical plan Option 1 available to Eligible California Employees, monthly contributions will apply to Eligible California Employees who are enrolled in the Kaiser Plan during the Plan Year equal to the contributions outlined above, plus the cost difference between the Kaiser Plan and the Company self insured plan Option 1 for the coverage tier elected.

Monthly Contribution for 2009, 2012 and 2016 New Hires and Current Employees:

Option 1:

2021	Individual \$149	Family \$332
2022	Individual \$152	Family \$351
2023	Individual \$155	Family \$373
2024	Individual \$158	Family \$394

Option 2:

2021	Individual \$86	Family \$213
2022	Individual \$90	Family \$230
2023	Individual \$94	Family \$249
2024	Individual \$97	Family \$268

Monthly Contribution for 2020 New Hires:

Option 1:

2021	Individual \$178	Family \$395
2022	Individual \$181	Family \$417
2023	Individual \$184	Family \$443
2024	Individual \$187	Family \$468

Option 2:

2021	Individual \$112	Family \$277
2022	Individual \$116	Family \$297
2023	Individual \$121	Family \$320
2024	Individual \$124	Family \$343

Annual Deductibles:

Option 1:

	2021		2022		2023		2024	
	Network &	Non						
	ONA	Network	ONA	Network	ONA	Network	ONA	Network
Ind	\$800	\$2400	\$850	\$2,550	\$900	\$2700	\$950	\$2850
Family	\$1600	\$4800	\$1700	\$5100	\$1800	\$5400	\$1900	\$5700

Annual Deductible Provisions:

No change from current program.

Note: The Annual Deductible will be included in the Out-Of-Pocket Maximums

Option 2:				
	2021	2022	2023	2024

	Network &	Non						
	ONA	Network	ONA	Network	ONA	Network	ONA	Network
Ind	\$1600	\$4800	\$1650	\$4950	\$1700	\$5410	\$1750	\$5250
Family	\$3200	\$9600	\$3300	\$9900	\$3400	\$10200	\$3500	\$10500

Annual Deductible Provisions:

No change from current program except as provided below:

2016 New Hires, 2012 New Hires, 2009 New Hires and Current Employees

Spouse/Partner Access to Medical Coverage Additional Medical Contribution:

Participants whose spouse/partner enrolls in AT&T-sponsored medical coverage (within either selfinsured or fully insured programs) but otherwise has access to medical coverage through their employer, excluding AT&T, will pay an additional monthly contribution toward their cost of coverage. The monthly additional contribution is shown below. The participant must attest that his or her spouse/partner does not have access to medical coverage otherwise the additional contribution will be applied.

Additional Monthly Medical Contribution:

2021	2022	2023	2024
\$100	\$100	\$110	\$115

2016 New Hires, 2012 New Hires, 2009 New Hires and Current Employees

Tobacco Use Additional Medical Contribution:

Employees and/or spouses/partners who use tobacco, are enrolled in AT&T-sponsored medical coverage (within either self-insured or fully insured programs) and who choose not to participate in a designated Tobacco Cessation program will pay an additional monthly contribution toward their cost of coverage. The employee and/or spouse/partners must attest to no tobacco usage or engage in a Company-sponsored Tobacco Cessation program in the time defined during Annual Enrollment otherwise the additional monthly contribution will be applied. Engagement is currently defined as enrollment, participation and completion. A tobacco user is currently defined as someone who has used tobacco products more frequently than once a month. Tobacco products include cigarettes, cigars, pipes, e-cigarettes, vaporizers and smokeless tobacco. The definitions of engagement, tobacco user, tobacco products and the terms of the Company-sponsored Tobacco Cessation program may change from time to time, at the sole discretion of the Company.

Additional Monthly Medical Contribution for each employee and/or spouse/partner:

2021	2022	2023	2024
\$60	\$65	\$70	\$75

Prescription Drug Program (RX Plan):

2016, 2012 and 2009 New Hires and Current Employees

Option 1:

Deductible: None.

Out-of-Pocket Maximum:

	2021	2022	2023	2024
Individual	\$1500	\$1600	\$1700	\$1700
Family	\$3000	\$3200	\$3400	\$3400

Retail – Network Co-pays:

(Up to 30-day supply, Limited to 2 fills for maintenance)

	2021	2022	2023	2024
Generic	\$10	\$10	\$10	\$10
Preferred	\$35	\$40	\$40	\$45
Non-Preferred	\$80	\$80	\$80	\$90

Retail - Non-Network Copays:

Participants pay the greater of the applicable Network co-pay or balance remaining after the program pays 75% of network retail cost.

Mail Order Copays:

(Up to 90-day supply)

	2021	2022	2023	2024
Generic	\$20	\$20	\$20	\$20
Preferred	\$70	\$80	\$80	\$90
Non-Preferred	\$160	\$160	\$160	\$180

Option 2:

Deductible: Integrated with Med/Surg, MH/SA, CarePlus

Out-of-Pocket Maximum: Integrated with Med/Surg, MH/SA, CarePlus

Retail – Network Copays:

(Up to 30-day supply, limited to 2 fills for maintenance)

	2021	2022	2023	2024
Generic	\$10	\$10	\$10	\$10
Preferred	\$35	\$40	\$40	\$45
Non-Preferred	\$80	\$80	\$80	\$90

Retail - Non-Network Copays:

Participant pays the greater of the applicable Network copay or the balance remaining after the program pays 75% of network retail cost.

Mail Order Copays: (Up to 90-day supply)

	2021	2022	2023	2024
Generic	\$20	\$20	\$20	\$20
Preferred	\$70	\$80	\$80	\$90
Non-Preferred	\$160	\$160	\$160	\$180

The following provisions will continue to apply to Option 1 and Option 2:

- Mandatory mail order for maintenance Rx Applies after second fill at retail.
- Specialty pharmacy program
- Personal Choice 100% participant-paid
- Mandatory Generic
- Compound medication limitation
- Advanced Control Specialty Formulary
- New Standard Prescription Drug Formulary
- Generic Step Therapy

Disability Benefits:

Program

2012 and 2009 New Hires and Current Employees No Change from current program

2020 New Hires 2016 New Hires

Effective the day following Ratification Date, AT&T Disability Income Program as described in the Summary Plan Description as these provisions change from time to time except as provided below:

Short-Term Disability (STD):

2012, and 2009 New Hires and Current Employees No Change from current program

2020 New Hires and 2016 New Hires

Benefit: Short-Term Disability Benefits and the other sources of income received are designed to replace 60 percent or 100 percent of Pay, based on your service as shown below:

Term of Employment	100%	60%
6 months < 2 years	0 weeks	26 weeks
2 years < 5 years	4 weeks	22 weeks
5 years < 15 years	13 weeks	13 weeks
15 years or more	26 weeks	0 weeks

Benefit Changes for Current Retirees

No improvements. Your Union Bargaining Committee requested to bargain for current retirees, but ATT was very consistent with their response that they were not willing to bargain for current retirees, as current retiree benefits are not a mandatory subject of bargaining.

Articles

Article 1:

• 1.05 Contract distribution

Article 2:

• VSB process change and language improvement

Article 3: No Change

Article 4: No Change

Article 5:

- Increased meal allowance from nine (9) dollars to ten (10) dollars
- Article 6: No Change
- Article 7: No Change
- Article 8: No Change

Article 9: No Change

• (Occupational Safety and Health letter)

Article 10:

Conclusion – Date changes

Appendices

Appendix A: No Changes

Appendix D: No Changes

Appendix E

- E1.03B Eliminated Split Workdays.
- E1.05A increased to 4 weeks
- E1.05B layoff table added additional 2 weeks to the layoff table.
- E1.05C changed priority rehire from the same position to any position in the current CBA.
- E1.05D (was added) Laid off employees' priority 18 Months AUTS

MOA's / Letters

Maintained all letters except those that had expired or completed:

C&E Term Employees and Vacation letter.

Occupational Safety and Health letter.

COBC Documentation clarification letter.

Retained ESB

Retained Card Check

Retained Successorship

Modified GIIT (Consumer call center)

Retained Success Sharing Plan

Modified Horizon's Training/Retraining Program

Modified Tuition Aid (Nanodegrees)

Retained National Transfer Plan (NTP) Retained Pooling Retained Sunday Plus Four Retained MOA that Sales Consultant (Leverage rep) is not applicable to a Job Offer Guarantee. Modify/Improve Relocation Benefits Retained Company Paid Union Appointed Representative (B-Help) Retained Wellness Program Retained Wage Credit Retained Office Closure MOA Retained CVS Caremark letter

Retained Company Wellness Letter

Respectfully Submitted, Bargaining Committee Members

Lynn Johnson- Chair, Domonique Thomas-Assistant to District 9 Vice President, Art Gonzalez, Lou Mondragon, Jason Hall, John Miller