



Los Angeles College Faculty Guild

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What is the JLMBC and what is the history of the HRA?

The Joint Labor/Management Benefits Committee (JLMBC) was established in 1992 to contain the costs of the District's health benefits program while maintaining and improving the quality of the benefits available to employees. In an effort to fulfill this mission, in 2008 the Guild, as part of the JLMBC's Labor Caucus, put forward a plan to move our benefits program to a program administered by CalPERS, saving the District \$17 million the first year and even more in every subsequent year. Understanding that the shift to CalPERS came with increased out-of-pocket costs to its employees, management agreed to provide Health Reimbursement Accounts (HRAs) for five years. The HRA provision, originally an MOU, became contract language, making it a negotiable item. We are now negotiating for these items as we are legally entitled to do. Although they were promised for five years, nowhere in our contract language does it say that the HRAs were supposed to be temporary.

What is the current status of the MBA negotiations?

The JLMBC's Labor Caucus (which includes all six of the District's bargaining units) is currently in negotiations with management for all bargaining units on the Master Benefits Agreement (Article 27). Labor has proposed that management continue providing the HRAs as a permanent feature of the Collective Bargaining Agreement. These funds are essential to mitigating the out-of-pocket costs for health care that have only increased over the past five years. In addition to mitigating current costs, they can be used for anticipated future expenses. Our employees have learned to plan ahead, something the trustees do not seem to understand when they see remaining balances in employees' Health Reimbursement Accounts. It is our legal right to save and use the funds after retirement.

What about the adjunct faculty?

The second part of the Labor Caucus' proposal intends to modestly enhance benefits for adjunct faculty. Our pool of 2600 adjuncts is unique to the faculty unit (no other employee units have such a large pool of unbenefited employees). Over the years, the Guild has made incremental changes to improve access to benefits. About 1,000 adjuncts meet the strict eligibility requirements to be allowed to purchase benefits, partially subsidized by a District contribution. About a third of those who are eligible to participate do so. This year we have asked for a small increase in the District's contribution (a 15% increase). Management countered with a 10%. The Caucus also wants to simplify eligibility for vision benefits by aligning it with eligibility for medical benefits, as well as provide eligibility for dental benefits, which has not been available for many years. So far, the District has said "no."

The HRAs and improved access to benefits for our adjunct instructors are an important part of our total compensation. A take-back in these areas would diminish this package. For an instructor earning \$75,000 a year, losing the \$1,500 HRA would cancel out a significant portion of the salary increase recently negotiated. Having to make choices based on concern about the costs might make the difference between opting for a more comprehensive medical procedure or a less thorough one.

What can I do?

On September 17, we will tell the Board why these Labor Caucus proposals are important to our employees' wellness. We will also explain how cuts in the Health Reimbursement Accounts negatively impact our total compensation package.

JOIN US AT THE BOARD MEETING—WEDNESDAY SEPTEMBER 17—3 PM.

See your Chapter President for details.