

# WEEK IN ACTION!

Weekly News From Your Union ~ October 27, 2014 – October 31, 2014

## **Vote On Tuesday, November 4!**

VSEA is reminding all its members to please vote on Tuesday, November 4. If you have already voted early, thanks!

To see a list of your union's 2014 candidate endorsements in Senate, House and State's Attorney's races across Vermont, please click [here](#).

## **VSEA Applauds Early Success Of Pilot Program**

VSEA is applauding an announcement by AOT this week that it is adding 24 new positions (23 full-time and 1 limited service) based on the new staffing flexibility granted to it this year by lawmakers. Equally important, the reason AOT says it can add the new positions supports VSEA members' ongoing argument that using state employees saves Vermont taxpayers money.

AOT's statement reads: "The primary benefit of adding these new positions is to achieve cost savings by reducing our consultant costs. In FY 14, over \$20,000,000 was spent on consultants. Knowing that consultants cost 25% more than state employees for the same service, we know we can achieve savings in this area. By employing these individuals, VTrans will manage its current workload more effectively and efficiently at a lower cost."

VSEA President Shelley Martin told *WIA* that this is the kind of result VSEA had in mind when our union began lobbying to lawmakers to support a pilot project.

"The State agreed with VSEA and together we were able to convince legislators to allow state managers the flexibility they needed to add positions and not bust their budgets," said Martin. "And it's not just AOT that is already seeing positive results with the pilot program." She pointed to DCF's Family Services Division, where nearly 20 full-time and limited service positions are being added, the state's Health Access Eligibility Unit, where more than 100 full-time and limited service are being added, and the Department of Environmental Conservation, where 17 new positions will be added. "I don't think these positions would have been possible without the pilot program. These are the kind of solid ideas VSEA members come to the table with to help save the State money and benefit Vermonters who receive our services."

### **Background**

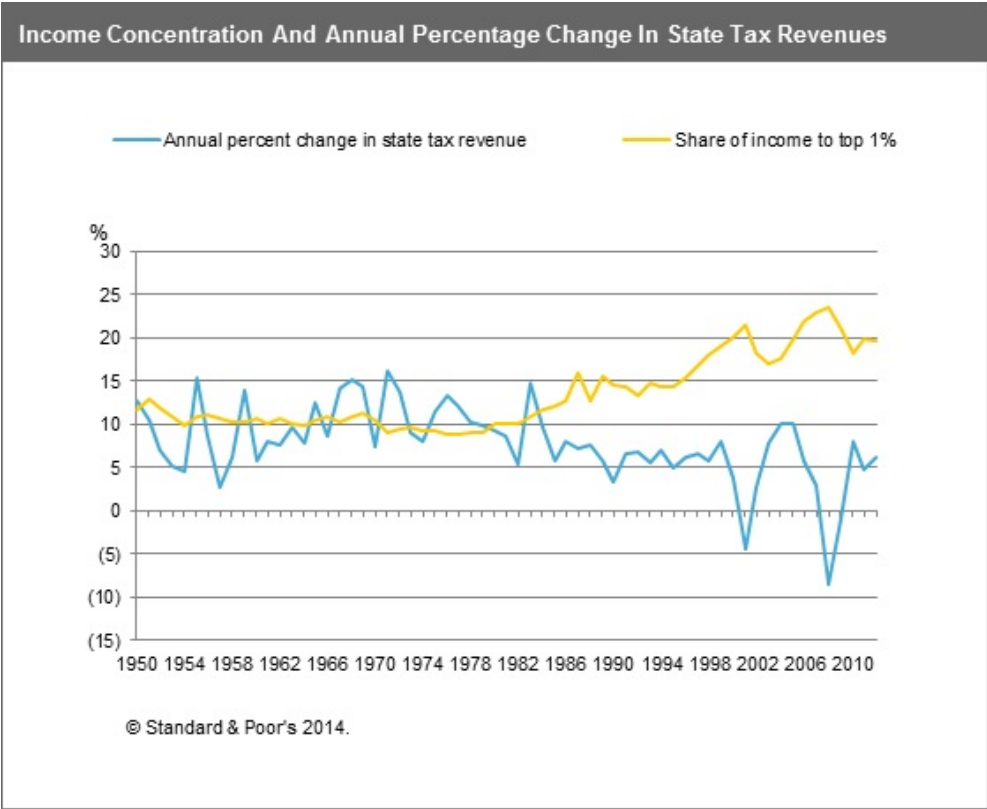
Lawmakers decided in April to allow the pilot program to be implemented. For the first time ever, managers in certain departments and agencies were given permission to bypass legislative approval to add new positions. The only caveat was that the positions had to be created within existing budgets. As Martin points out, VSEA members lobbied lawmakers hard in favor of the pilot program. Included in the program were the Department of Public Service, the Agency of Transportation, the Department for Children and Families, the Department for Environmental Conservation and Buildings and General Services. In testimony earlier this year to the Senate Government Operations Committee, Secretary of the Administration Jeb Spaulding explained to lawmakers that "The goal of this pilot program is to provide smarter and better performing government at less cost."

## **Be Prepared! Another Year, Another Budget Shortfall.**

When Vermont lawmakers return to Montpelier in January, they again face a budget deficit, and this year’s estimate is \$90 million to \$120 million.

To date, the State’s main recourse to manage ongoing Vermont’s budget deficits has been spending cuts. Little new revenue is being generated, outside of some increased fees and new cigarette taxes, both of which have minor impact and lack the income potential to adequately to sustain state services. State officials and lawmakers had hoped Vermont’s economy would eventually rebound, so, throughout Vermont’s recession, they decided to avoid further cuts to services to Vermont’s most vulnerable by using \$40 million to \$50 million in one-time funds. This money now gone, officials and lawmakers are once again facing a nightmare budget scenario, and VSEA is joining the growing number of Vermonters hoping to convince the decision makers to look at increasing revenue as a counter to simply hacking away state services and jobs.

As proof of the adverse impact of Vermont’s failure to increase revenue, especially from those most able to pay, VSEA Research Analyst Adam Norton provided this graph, which he says illustrates how unprecedented income inequality is preventing state tax revenue from sustaining the services that Vermonter’s rely on daily.



While it’s true the State’s General Fund revenues have finally rebounded to above pre-recession levels, the fact still remains there are 200 fewer positions across state government than existed prior to the recession hitting in 2007. This anemic state workforce is currently struggling to cope with rising caseloads that seem immune to Vermont’s alleged economic recovery. In addition to increased workloads and less people to do the job, state employees have also been hit recently with increased health care premiums. And agencies and departments have been instructed to “eat

the Pay Act,” meaning it will be up to the different entities to find this year’s negotiated 2.5 percent pay increase for employees from within existing budgets. During the 2014 legislative session, the DHR Commissioner testified that forcing agencies and departments to absorb the Pay Act could result in reductions in force (RIFs). As you can see, unless new revenue can be found, Vermont state employees and the services you provide may once again be on the chopping block.

In the coming weeks and months, VSEA is asking all its members to please talk with your lawmakers, co-workers, friends and family about the damage your agency or department would suffer if subjected to another cutting “exercise.” Further, VSEA will be working diligently to build a broad coalition of groups that support generating new revenue, as opposed to hacking away at state government. We want lawmakers to close income tax loopholes for Vermont’s wealthiest citizens and relieve the tax burden on working families.

With Election Day nearing, VSEA reminds members to support candidates who support you, your union, your contract and the service you provide.

### **Central Vermont Stewards Award Certificates To Activists**

Some VSEA Central Vermont Stewards got together on October 24 to present special certificates of merit to VSEA members for "outstanding union activism throughout 2014."

Receiving certificates were: Jack Gouin (Agency of Transportation), James Hale (Buildings & General Services), Jane Paronto (accepting for Jodi Parker, Vermont State Housing Authority) and all VSEA VSHA Members (Vermont State Housing Authority). Congratulations to all those honored.

Pictured here are (L to R): Nick Davis, Jane Paronto, Jerry Comstock, Deb Franks, Jack Gouin, James Hale, Suzanne Arrand and Bonnie Kynoch.

### **NMU Bargaining Team Welcomes New Alternate**

The NMU Bargaining Team welcomed DCF Benefits Program Specialist Aimee Towne to the Team this week as an alternate. NMU Chairperson Bob Stone says Towne, a Lamoille Valley Chapter member, has demonstrated to the team and her co-workers that she is committed to improving our NMU contract.

Stone explained that, as an alternate, Towne will be expected to attend all meetings and will be afforded the same rights as any elected NMU Team member, except when it comes time to vote.

“In the event an elected member is unable to attend a Bargaining Team meeting, Aimee will then fill in for the absent member and be afforded the right to vote,” says Stone. “In either role, Aimee will be interacting with her fellow NMU Bargaining Team members and therefore always be knowledgeable about any of a number of key decisions that need to be made.”

Welcome Aimee!

### **Attorney Announces Upcoming Hearing On OT Class-Action Lawsuit**

*Attorney Thomas Somers asked WIA to publish this update he recently sent to all the VSEA members who are part of the class:*

As you know our overtime case is on appeal to the United States Court of Appeals for the Second Circuit. The case is fully briefed and oral argument is scheduled for 10:00 a.m., Wednesday November 5, 2014. Everyone is welcome to attend although you should know that

the Court has allocated only ten minutes to each side for argument. If you are interested in attending, argument will be held in Courtroom 1703, Thurgood Marshall United States Court House, 40 Foley Square, New York, NY. If you do attend, I recommend you get to the Court no later than 9:30 a.m. to give time for security checks. If you do plan to attend, please let me know by sending me an email to [tsomers@bpflegal.com](mailto:tsomers@bpflegal.com).

So you are not unnecessarily confused if you do attend, the case is referred to by the Court as *Coniff et al v. State of Vermont*, Case No. 13-4198-cv and, at times, *Beaulieu et al v. State of Vermont*, Case No. 13-4198-cv.

I will keep everyone posted on how the argument goes.

### **VSEA Supports Striking Fairpoint Workers**

Great outpouring of VSEA support yesterday across Vermont for striking FairPoint workers. Pictured here are VSEA members and staff walking FairPoint picket lines in Montpelier and Brattleboro. VSEA members in Bennington also pictured showing their solidarity. VSEA thanks everyone who participated.

VSEA is also thanking activist Suzanne Arrand for her honest reply in an October 30 *Times Argus* story about an interruption to FairPoint's IT service in Worcester, Vt. Arrand is asked about the IT outage and instead directs her comments at FairPoint, telling the paper: "I wish they would settle the strike. I think the company and what they are trying to do to their workers is just horrible, and I am going to join the [workers'] picket line tomorrow." Way to go Suzanne!

For strike updates and to find out about future picketing, please click [here](#).

And this just in:

### **Please help striking FairPoint workers address financial hardships by donating to a workers' relief fund!**

Make checks\* payable to: IBEW-CWA Solidarity Fund

Mail to: 21 Gabriel Dr., Augusta, ME 04330

Or Visit: [www.gofundme.com/ibew-cwa-strike-relief](http://www.gofundme.com/ibew-cwa-strike-relief)

\*You can also contribute using a credit or ATM card

### **VSEA Board Votes To Send 40 Members To The Vermont Troublemakers' School**

The VSEA Board of Trustees voted recently to pay the registration fee for 40 VSEA members who want to attend the 2014 Vermont Troublemakers School on Sunday, November 9, from 10:00 a.m. to 5:00 p.m. in UVM's Rowen Hall at 106 Carrigan Drive, Burlington. VSEA members who want to attend should contact VSEA Board of Trustees Clerk Katelyn Chase as soon as possible. She can be reached at [kchase@vsea.org](mailto:kchase@vsea.org).

Join fellow troublemakers for a day of discussion, training, networking, and inspiration!

Topics include:

- How to have an organizing conversation
- How to broaden member participation
- Reviving social justice unionism
- Developing rank-and-file leaders

- Winning contract campaigns
- Strikes and other worksite actions to win
- And much more

Here's a list of organizations whose members are contributing to shaping and building our Troublemakers School:

- VSEA
- CCTA Teamster Bus Drivers
- Vermont Workers Center
- United Academics at UVM
- Vermont Nurses and Healthcare Professionals (VNHP)
- VT-NEA teachers
- International Socialist Organization
- UE Locals in Chittenden and Washington Counties
- Vermont Migrant Justice
- Home Health Care Workers
- Howard Center AFSCME Local 1674
- Green Mountain Labor Council
- And more to come.

**To register, choose a registration level at bottom of page, add to your cart and check out through our online store.** (Look for "Shopping Cart" in the upper right corner of the page when you are ready to pay.) For more information or to get involved, contact Traven Leyshon at [Traven.L@gmail.com](mailto:Traven.L@gmail.com) or 802-522-3484.

**Childcare will be available.**

## **VSEA Advantage Program's Divine Align Yoga Announces New Venue**

Divine Align asked *WIA* to share this update with members:

### **DIVINE ALIGN YOGA**

Montpelier, Fusion Studio  
56 E State St, Montpelier, VT 05602

Studio offering discounted membership fee through December 2014. VSEA members pay just \$40 for both November and December, as opposed to the normal \$60. In addition, VSEA members and staff participating in a class offered by instructor Melissa Massey will receive \$1 off the normal \$6 class fee. Members and staff who opt to "drop-in" on one of Melissa's classes will receive \$1 off the normal \$16 "drop-in" class fee.

For more information, please contact:

Melissa Massey

[divinealignyoga@gmail.com](mailto:divinealignyoga@gmail.com)

You can also learn more about Fusion Studio [here](#)

## **VSEA Announces New Union Representative Territories**

### ***Josh Massey Returning To Work Soon As New Union Representative***

VSEA Director of Field Services Gretchen Naylor is announcing a reshuffling of territories and agency/departments assignments for VSEA Union Representatives. Please consult the list below to learn who your Union Representative is. Josh Massey, who was a VSEA Organizer before leaving this summer to work for a political party, will return to VSEA shortly after Election Day in a new role as Union Representative.

Please consult the list below to learn who your Union Representative is.

**John Brabant:** St. Albans, Grand Isle, St. Johnsbury, White River Junction, Vermont Psychiatric Care Hospital (VPCH), Middlesex Residential Facility, Lyndon State College, Vermont Technical College

**Kelly Burns :** Chittenden, Lamoille, Johnson State College

**Dave Van Deusen:** Statewide Agency of Transportation (AOT), Addison, Rutland, Castleton State College

**Bob South:** Brattleboro, Springfield, Newport, Island Pond

**Brian Morse:** Bennington, all supervisors, all of Judiciary

**Josh Massey:** Barre, Waterbury, Central Vermont (except AOT)

## **Eighteen Percent Premium Spike Announcement Raises Numerous Questions**

VSEA leaders and headquarters staff have been responding to a host of member questions, prompted by the State's announcement that state employee health care premiums would rise by 17.9%. Here are some of the more commonly asked questions:

BC/BS = Blue Cross/Blue Shield

### **Q: Why is BC/BS raising my rates?**

BC/BS has no say in setting our premium rates. The state of Vermont's health plan is self-

insured. The State contracts with an insurance company, currently BC/BS, to adjudicate insurance claims, but the plan benefits are the result of collective bargaining between the State and VSEA. As far as premiums, the State contracts with an independent actuarial firm to monitor the plan and propose sufficient premium increases to adequately cover projected health insurance claims for the following year. Your contracts stipulate that state employees are responsible for 20% of premiums, and the State picks of the tab for the remaining 80%.

**Q: Why are State health insurance premiums so high compared to other plans?**

Premiums are basically a reflection of the benefit levels in a health plan. Many other health plans have a high deductible or lesser benefits than ours, and therefore, lower premiums. Our premiums are not out of line with many BC/BS plans that have the higher benefit levels. State employees pay higher premiums to have plans with little to no deductibles and copays. Many Vermonters working in the private sector pay lower premiums for their health plans, but their plans also include unaffordable deductibles up to \$5000 and high out-of-pocket costs for medical claims.

**Q: What caused the 17.9% premium increase?**

The plan experienced a significant increase in the number of high-cost medical claims during the last few months of 2013 under Cigna, and the spike continued into 2014. This adverse medical claims experience—which coincided with four premium holidays in FY2013—resulted in the plan’s reserves being completely exhausted. Average monthly medical claims have been higher during 2014; however the higher trend only accounts for roughly 10% of the premium increase. The remaining 8% will go toward paying off the plan’s \$3 million deficit and rebuilding the plan’s \$10 million reserve over three years.

**Q: Were state employees offered any alternative to the 17.9% Premium Increase?”**

Yes. Prior to the announcement, VSEA leaders and State officials reviewed three options for health insurance increases to meet the plan’s increased expenses and pay off the deficit. The options ranged from 17.9% to 22.6%. VSEA leaders recognized that the lowest option (17.9%) was unaffordable for many members. The only difference between the three options was the speed at which the plan’s \$10 million reserve would be replenished. VSEA advocated for the lowest increase available to meet plan expenses and refill its reserve over three years. In addition, if the high claims trend levels off, the plan reserves will be refilled faster.

**Q: Was there a way to lessen the blow, meaning not receive such a big hit all at once?**

Yes. VSEA leaders on the Benefits Advisory Committee have long advocated against fiscally irresponsible premium holidays. Although some state employees appreciate a break from paying their insurance premiums, premium holidays are simply an unsound way to manage the plan. The State gets 80% of the savings from premium holidays, which they then use to balance the budget. If the State had authorized only two premiums holidays in 2013, instead of four, the premium increase for 2015 would have been roughly 10%, instead of 17.9%.

**Q: What can state employees do to reduce the impact of the premium hike?**

- Roughly 1,000 State employees currently pay their health insurance premiums with after-tax dollars. To pay your insurance premiums on a pre-tax basis, state employees can fill out and submit this form:

[http://humanresources.vermont.gov/sites/dhr/files/Documents/Benefits/DHR-Health\\_Benefits\\_Pretax\\_Form\\_2013.pdf](http://humanresources.vermont.gov/sites/dhr/files/Documents/Benefits/DHR-Health_Benefits_Pretax_Form_2013.pdf)



- Currently, only 20% of state employees are taking advantage of Flex-Spending Accounts, which allow an employee to pay healthcare, vision and dental deductibles and copays with pre-tax income. State employees who anticipate regular copays or other medical expenses should utilize flex spending accounts to pay these out-of-pocket costs on a pre-tax basis. Start a Flex Spending Account using this form:

[http://humanresources.vermont.gov/sites/dhr/files/Documents/Benefits/DHR-FSA\\_Enrollmet\\_Form\\_2014.pdf](http://humanresources.vermont.gov/sites/dhr/files/Documents/Benefits/DHR-FSA_Enrollmet_Form_2014.pdf)

**Q: How can we prevent this from happening again?**

- Give state employees statutory veto power over fiscally irresponsible premium holidays;
- Open state employee health clinics, like those in Alabama, Colorado, Montana, and Tennessee, which have saved taxpayers and state employees millions of dollars by increasing access to preventive medicine;
- Explore income-based premium sharing, like UVM and the Vermont State Colleges. Why should a state employee earning \$30,000 be expected to pay the same 20% premium as a commissioner earning over \$100,000?; and
- Real health care reform that includes cost-containing measures. The state employee health plan is susceptible to the same cost-shifting pressure as private insurance due to low Medicaid reimbursement rates and other market forces.

**ALERT! Post Office No Longer Recognizing Mail Sent To VSEA HQ Using Defunct P.O. Box Number**

**Stewards Urged To Review Cards**

VSEA is issuing an alert to members NOT to use P.O. Box 518 when sending mail or other correspondence to VSEA headquarters in Montpelier. The Post Office is no longer forwarding mail sent to VSEA with the P.O. Box number. VSEA Stewards and other leaders are being asked to review any cards or literature you may be passing out in worksites to ensure the address printed on the material does not include the now defunct P.O. Box number.

As a reminder, VSEA's new and correct mailing address is:

VSEA HQ  
155 State St.  
Montpelier, VT 05602

**Retirees' Chapter Holding Special Meeting On Dec. 11 To Select Trustee For Windham & Windsor Counties**

The VSEA Retirees' Committee is actively searching for a trustee to represent Windham and Windsor Counties. If you're a current dues-paying retiree who resides in Windham or Windsor Counties, and you're interested in running for this trustee seat, please send a letter of interest by 4:30 p.m., Wednesday, December 10, to VSEA RC President Maclay at [jmaclay@vsea.org](mailto:jmaclay@vsea.org). Chapter officials will then hold a special meeting on December 11 to name a new Windham and Windsor trustee. The meeting begins at 9:30 a.m.



As always, if you are a lifetime member of VSEA and are interested in joining the VSEA Retirees' Chapter, please send your \$10 dues check to VSEA HQ or bring this payment to the special Chapter meeting on December 11.

### **Upcoming Meetings/Events/Holidays:**

#### **November 3**

Child & Elder Care Committee Meeting  
VSEA HQ  
Montpelier  
9:30 a.m.

#### **November 4**

Election Day 2014  
PLEASE VOTE!

#### **November 5**

NEK/St. Johnsbury Chapter Meeting  
ANR Offices  
1229 Portland St.  
St. Johnsbury  
5:00 p.m.

#### **November 7**

Legislative Committee Meeting  
VSEA HQ  
Montpelier  
10:00 a.m.