

Communications Workers of America

District 3

CWA – Bellsouth Telecommunications for Utility Operations

Final Bargaining Report

2019



This report contains detailed information on the wages and benefits won at the CWA – AT&T SE (BST for Utility Operations) bargaining table.

A ballot is printed with this report. Check with your Local about voting procedures.

**The final voting date for ratification of this contract is
October 1, 2019.**

Dear Members,

The details of the changes negotiated in this round of bargaining with BellSouth Telecommunications, LLC for Utility Operations are included in this final bargaining report. You will also find your ballot at the end of this report.

Bargaining in 2019 with AT&T was challenging and unlike any we previously faced. CWA passed numerous proposals that would have improved safety provisions, quality of work life issues, and economic benefits for our members. Meanwhile, the majority of the Company's proposals were demanding concessions to work rules and benefits.

When we began negotiations, CWA made it clear that we would need improvements to this Agreement. The Company repeatedly stated there was a cost structure to maintain, and they were not interested in negotiating additional costs into the contract. The Bargaining Committee fully understood that absent any jurisdiction of work language similar to Article 14 in the BellSouth Telecommunications, LLC Agreement, we had a tough round of negotiations ahead of us. AT&T Southeast in District 3 is the only region that uses Union members to perform this work and it is contracted out in all other regions of the Company.

The information you will find in this final Bargaining Report clearly shows that CWA was successful in making improvements in our primary objectives. We were able to achieve improvements in overtime language, wages, paid time off, and significant improvements to the disability plan.

Your Bargaining Team worked extremely hard in the face of difficult circumstances to reach this tentative agreement and unanimously recommends ratification.

In Unity,

Isa Shabazz - CWA Staff - Chair

Eric Adams - Georgia

Gail 'Bubba' Shewalter – South Carolina

Jason LaPorte – South Carolina

Wages

The new wage agreement features a 13.25% compounded General Wage Increase (GWI) over the life of the contract for employees at top pf the pay progression.

- 3.00% effective Ratification Date
- 3.00% effective September 6, 2020
- 2.25% effective September 5, 2021
- 2.25% effective September 4, 2022
- 2.75% effective September 3, 2023

**BELLSOUTH TELECOMMUNICATIONS, LLC
UTILITY OPERATIONS
WAGE SCALE 1B**

MACHINE OPERATOR

Hourly Wage Rates Effective

<u>Wage Length of Service</u>	<u>Ratification</u>	<u>9/6/2020</u>	<u>9/5/2021</u>	<u>9/4/2022</u>	<u>9/3/2021</u>
End of 24th Month	\$22.20	\$22.85	\$23.35	\$23.90	\$24.55

Article 1M2: Seniority

The random number software tie breaker list will be used to determine seniority for Article 6 Force Reduction and Article 8 Promotion and Transfer.

Article 2B1: Option for 30-minute Meal Period

Employees will have the opportunity to preference a 30 minute or 1 hour meal period.

Article 4: Vacations

Employees may carryover up to 5 vacation days.

Article 9A2a1: Educational Assistance

Added language requiring Partnership board approval of educational institutions.

Article 10C: Jurisdiction of Work

Defined unlimited overtime for Machine Operators.

Appendix A: Success Sharing Plan (SSP)

Eligible employees will continue to have the opportunity to share in the Company's success through a reward program keyed to the Company's performance.

The SSP award will be paid in cash and made as soon as practicable after the award year and normally occur the payday of the last full pay period in November.

SSP Payout Examples –

For Award Years 2020, 2021, 2022, 2023, and 2024:

Employees will receive a total payout based on the difference between the ending stock value and the beginning stock value for the award year times 150 success units plus the dividend rate value declared each quarter times 150 success units.

Appendix B: Uniform Program

Increased the annual boot allowance from \$100.00 to \$125.00.

Cap number of uniform items that can be ordered annually and the account balance that can be carried over.

Letters and Memorandums of Agreement (MOAs)

Renewed the Inclement Weather Work Policy letter

Renewed Promotional Wage Treatment MOA

Renewed Excused Time for Union Activity

Renewed the Wire Work letter

Renewed the Joint Occupational Safety and Health Committee

New Letter

Employees will be able to participate in the AT&T Tuition Aid Program.

Health Care

Health Care Plan changes are effective June 1, 2020

- Option 1 and Option 2 Choice Provided
- Individual Coverage will be eligible for Company subsidy after the employee attains 90 days NCS
- Family Coverage will continue to be eligible for Company subsidy after the employee attains 6 months NCS

- **Option 1 Monthly Premiums for Current Employees, 2009 New Hires, 2012 New Hires, and 2015 New Hires:**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$128	\$132	\$137	\$145	\$153
Family:	\$333	\$356	\$375	\$397	\$418

- **Option 2 Monthly Premiums for Current Employees, 2009 New Hires, 2012 New Hires, and 2015 New Hires:**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$78	\$84	\$90	\$97	\$104
Family:	\$214	\$230	\$245	\$264	\$283

- **Option 1 Monthly Premiums for 2019 New Hires:**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$152	\$156	\$163	\$172	\$181
Family:	\$395	\$422	\$444	\$469	\$494

- **Option 2 Monthly Premiums for 2019 New Hires:**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$101	\$108	\$115	\$123	\$131
Family:	\$276	\$295	\$314	\$337	\$359

- **Working Spouse Contribution**

Participants whose spouse/LRP enrolls in AT&T-sponsored medical coverage 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 participant must attest that his or her spouse/LRP does not have access to medical coverage otherwise the additional contribution will be applied.

Additional Monthly Medical Contribution:

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$0	\$100	\$100	\$110	\$115

- **Tobacco Use Contribution**

Employees and/or spouses/LRPs who use tobacco, are enrolled in AT&T-sponsored medical coverage 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/LRPs 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/LRP:

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$50	\$60	\$65	\$70	\$75

For 2020 and 2021, employees will be subject to one tobacco use surcharge should the employee and/or their spouse/LRP identify as a tobacco user and do not complete the Tobacco Cessation program.

For 2022 – 2024, employees will be required to pay the tobacco use surcharge for both the employee and their spouse/LRP, if they identify as a tobacco user and do not complete the Tobacco Cessation program.

*Note – New Letter Outside the Contract: The Company commits that the definition of engagement shall not be defined as the attainment of a non-tobacco user status.

*Note – Employees’ initial enrollment selection regarding surcharges will be the default selection in subsequent enrollments.

- **Option 1 Annual Deductible:**

In-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$725	\$750	\$800	\$850	\$900
Family:	\$1,450	\$1,500	\$1,600	\$1,700	\$1,800

Out-of-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$2,175	\$2,250	\$2,400	\$2,550	\$2,700
Family:	\$4,350	\$4,500	\$4,800	\$5,100	\$5,400

- **Option 2 Annual Deductible:**

In-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$1,450	\$1,500	\$1,550	\$1,600	\$1,650
Family:	\$2,900	\$3,000	\$3,100	\$3,200	\$3,300

Out-of-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$4,350	\$4,500	\$4,650	\$4,800	\$4,950
Family:	\$8,700	\$9,000	\$9,300	\$9,600	\$9,900

If the coverage tier is Family, no individual can receive benefits until the Family Annual Deductible is met. The Family Annual Deductible can be met by one or a combination of covered family members.

All prescription drug allowable charges of eligible expenses paid by the participant apply toward the applicable deductible amounts.

- **Option 1 Out-of-Pocket Maximums:**

In-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Family:	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000

Out-of-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500
Family:	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000

• **Option 2 Out-of-Pocket Maximums:**

In-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$6,450	\$6,550	\$6,650	\$6,650	\$6,750
Family:	\$12,900	\$13,100	\$13,300	\$13,300	\$13,500

Out-of-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$19,350	\$19,650	\$19,950	\$19,950	\$20,250
Family:	\$38,700	\$39,300	\$39,900	\$39,900	\$40,500

If coverage tier is Family, the applicable Family OOP Maximum must be met before the program pays 100% of allowable charges for eligible expenses. The program will pay 100% of the allowable charges for eligible expenses for In-Network/PPO for an individual once the individual meets the Individual OOP, even if the Family OOP has not been met.

Deductibles and outpatient prescription drug allowable charges of eligible expenses paid by the participant apply toward the OOP maximum amounts.

Prescription Coverage

Option 1:

- Deductible: None
- Out-of-Pocket Maximum:

In-Network

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Individual:	\$1,400	\$1,500	\$1,600	\$1,700	\$1,700
Family:	\$2,800	\$3,000	\$3,200	\$3,400	\$3,400

- Retail – In-Network Copays (up to 30 day supply, limited to 2 fills for maintenance subject to Advanced Control Specialty Formulary provisions)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Generic	\$10	\$10	\$10	\$10	\$10
Preferred	\$35	\$35	\$40	\$40	\$45
Non-Preferred	\$70	\$70	\$80	\$80	\$90

- Retail – Non-Network Copays (up to 30 day supply)
Participant pays the greater of the applicable Network copay or balance remaining after the program pays 75% of the network retail cost.

- Mail Order Copays (up to 90 day supply subject to Advanced Control Specialty Formulary provisions)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Generic	\$20	\$20	\$20	\$20	\$20
Preferred	\$70	\$70	\$80	\$80	\$90
Non-Preferred	\$140	\$140	\$160	\$160	\$180

- For more flexibility, 90 day prescriptions will continue to be available for pick-up at CVS pharmacies at mail order prices.

Option 2:

- Deductible: Integrated with Medical/Surgical, Mental Health/Substance Abuse, CarePlus
- Out-of-Pocket Maximum: Integrated with Medical/Surgical, Mental Health/Substance Abuse, CarePlus
- Retail – In-Network Copays (up to 30 day supply, limited to 2 fills for maintenance subject to Advanced Control Specialty Formulary provisions)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Generic	\$10	\$10	\$10	\$10	\$10
Preferred	\$35	\$35	\$40	\$40	\$45
Non-Preferred	\$70	\$70	\$80	\$80	\$90

- Retail – Non-Network Copays (up to 30 day supply)
Participant pays the greater of the applicable Network copay or balance remaining after the program pays 75% of the network retail cost.

- Mail Order Copays (up to 90 day supply subject to Advanced Control Specialty Formulary provisions)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Generic	\$20	\$20	\$20	\$20	\$20
Preferred	\$70	\$70	\$80	\$80	\$90
Non-Preferred	\$140	\$140	\$160	\$160	\$180

- For more flexibility, 90 day prescriptions will continue to be available for pick-up at CVS pharmacies at mail order prices.
- The following provisions will continue to apply to Option 1 & Option 2:
 - Mandatory mail order for maintenance Rx – applies after 2nd 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

Dental

- Effective June 1, 2020, Monthly premiums for 2020-2024:

Individual:	\$7
Individual + 1:	\$15
Family:	\$26

Vision

- Effective June 1, 2020, Monthly premiums for 2020-2024:

Individual:	\$2
Individual + 1:	\$5
Family:	\$9

Flexible Spending Account (FSA)

- No change from current plan

Health Savings Account (HSA)

- Establish a Company-provided HSA for employees enrolled in a high deductible health plan, which allows for pre-tax contributions via payroll deduction.

Short-Term Disability

- Current employees, 2009 New Hires and 2012 New Hires will remain in the AT&T Southeast Disability Benefits Program.
- 2015 New Hires and 2019 New Hires will be eligible for the AT&T Disability Income Program.
- **Utility Operations employees will be added to the AT&T Disability Income Program.**

Long-Term Disability

- Current employees, 2009 New Hires and 2012 New Hires will remain in the AT&T Southeast Disability Benefits Program.
- 2015 New Hires and 2019 New Hires will be eligible for the AT&T Disability Income Program.
- **Utility Operations employees will be added to the AT&T Disability Income Program.**

Parental Leave

- Added two weeks paid parental leave.

Nanodegree

- Tuition reimbursement through the AT&T Tuition Aid Program for approved nanodegree programs.

Wellness Program

- Employees continue to be eligible for the AT&T Your Health Matters Program.
The program includes:
 - Wellness Programs
 - Disease Management

- Healthcare Price and Quality Transparency Tool
- Health Assessment Portal

Medical/Dental for Eligible Retired Employees Who Retire During the Term of this Agreement

- Eligible Retired Employee (treated as Current Employee under the Benefits Agreement)
 - Continue to be treated the same as Current Employees
- Eligible Retired Employee (treated as 2009 New Hire under the Benefits Agreement)
 - Non-Medicare eligible – Continue to pay 50% of the full cost of coverage
 - Medicare eligible – ineligible for coverage
- Eligible Retired Employee (treated as 2012 New Hire, 2015 New Hire, and 2019 New Hire under the Benefits Agreement)
 - Non-Medicare eligible – Continue Pay 100% of the full cost of coverage
 - Medicare eligible – ineligible for coverage

Retiree Vision for Employees Who Retire During the Term of this Contract

- Eligible Retired Employees shall be eligible to participate in the AT&T Eligible Former Employee Vision Program.
- Eligible Retired Employee (treated as Current Employee or 2009 New Hire under the Benefits Agreement)
 - Pay 100% of the full cost of coverage
- Eligible Retired Employee (treated as 2012 New Hire, 2015 New Hire, and 2019 New Hire under the Benefits Agreement)
 - Non-Medicare eligible – Pay 100% of the full cost of coverage
 - Medicare eligible – ineligible for coverage

WAGE OFFER

The Company will pay a wage offer in the following manner:

Basic wages for all wage scales will be increased at the top rates of pay according to the following schedule:

Effective	Percent Increase
September 8, 2019 or Ratification Date, whichever is later	3.00%
September 6, 2020, or six months after the initial wage increase, whichever is later	3.00%
September 5, 2021, or six months after the 2 nd wage increase, whichever is later	2.25%
September 4, 2022, or six months after the 3 rd wage increase, whichever is later	2.25%
September 3, 2023, or six months after the 4 th wage increase, whichever is later	2.75%

There will be no change in the start rates of pay and the progression steps will be exponential between the existing start rate and the new top rate.