

**NCCC COMPREHENSIVE PROPOSAL TO BMWED/SMART-MD**

May 18, 2022

**I. Compensation**

General Wage Increases totaling 14.0% (uncompounded), as follows:

<b>Date</b>	<b>GWI</b>
7/1/20	2.0%
7/1/21	2.0%
7/1/22	4.0%
7/1/23	3.0%
7/1/24	3.0%

**II. Health and Welfare<sup>1</sup>**

1. Dental Benefits

- A. Increase the annual maximum dental benefit per person to \$2,000.
- B. Increase the lifetime maximum orthodontia benefit to \$2,000.

2. Vision Benefits

- A. Increase frame allowance to \$150.
- B. Increase contact lens allowance to \$150.

3. Hospice Benefits

- A. Increase maximum payment per course of care for room, board, care, and treatment charged by Hospice to \$6,000.
- B. Increase maximum payment for counseling with a social worker or pastor and counseling for bereavement up to 15 visits for patient's immediate family to \$2,000.

4. Hearing Benefits

- A. Increase the annual benefit limit to \$2,000 when using an approved provider with a maximum of 1 hearing aid per hearing-impaired ear every 3 years.

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<sup>1</sup>Note: the carriers' proposals are without prejudice to: (1) their existing rights to present administrative proposals to the JPC/GC; and (2) any position they may assert in any future arbitration proceeding regarding the scope of the deadlock neutral's authority.

5. Benefits for Members with Autism
  - A. Remove speech therapy age limits.
  - B. Provide coverage of approved ABA services with no annual dollar limits.
  - C. Provide autism services with no age restriction.
  - D. Autism coverage subject to utilization management and overall plan design (e.g., copayments, deductibles, etc.).
  
6. Introduce/expand programs and services to enhance and improve the member experience
  - A. Select and implement a dynamic digital platform (“DDP”).
  - B. Select and implement a number of condition-based digital solutions (at a minimum, solutions for MSK, diabetes, and weight management).
  - C. Select and implement new upper-tier Center of Excellence (COE) networks.
  - D. Introduce a smoking/tobacco cessation program inclusive of an applied surcharge for continued smoking/tobacco use outside of cessation program.
  
7. Require the Plans to periodically perform certain administrative functions and implement changes as appropriate including the following
  - A. Re-bid the medical and pharmacy vendors.
  - B. Conduct ongoing review of medical network offerings.
  - C. Conduct ongoing review of pharmacy rules and programs.
  - D. Monitor and expand upper-tier Center of Excellence (COE) network.
  - E. Review and implement digital health solutions, active annual enrollment, dependent confirmation process, cost transparency tools, and other communication initiatives.
  
8. Introduce medical benefit site of care design differentiations and prior authorization to encourage the use of free-standing facility or office settings (and discourage the use of outpatient patient hospital care) for certain surgeries, diagnostic tests, pathology, and dialysis.
  
9. Implement pharmacy benefit changes (in addition to any changes introduced in item 7)
  - A. Introduce additional pharmacy rules and programs through pharmacy vendor (ongoing basis):
    - i. Additional available Advanced Utilization Management (“AUM”):
      - a. Step Therapy
      - b. Prior Authorization
      - c. Drug Quantity Management
        - i. Advance Opioid Management (“AOM”)
        - ii. SaveonSP

B. Introduce reference pricing for appropriate drug classes as advised by pharmacy vendor and reviewed by JPC/GC; initial examples of such classes include the following:

- i. Anti-diabetic medications
- ii. Beta blockers
- iii. Calcium channel blockers
- iv. Anti-hypertensives
- v. Anti-hyperlipidemics
- vi. Ulcer drugs
- vii. Analgesics – anti-inflammatory drugs
- viii. Dermatologicals

C. Modify ERMA pharmacy benefit to match the pharmacy benefit for actives.

10. Implement member monthly contributions for dental and vision coverage

- A. Set dental/vision member contributions for 2023 at 25% of the dental/vision Payment Rates.
- B. Index dental/vision contributions annually for 2024 and after to maintain 25% of Payment Rate cost sharing.

11. Medical/pharmacy/mental health substance abuse benefits

- A. Identify and implement changes to benefit design cost sharing features (deductible, copays, coinsurance, and member out-of-pocket maximum) to achieve:
  - i. An actuarial value in 2023 of 86.5%, and
  - ii. Identify and implement further changes annually to maintain an actuarial value of 86.5% in 2024 and each year thereafter
- B. Update medical Plan monthly employee cost sharing as follows:
  - i. Introduce 82/18 employee contribution cost sharing
  - ii. Index employee contributions annually for 2024 and each year thereafter to maintain 82/18 employee contribution cost sharing.
- C. Introduce 4-tier member contribution structure (i.e., employee, employee + spouse, employee + child(ren), family).

12. Retroactive compensation to be offset to account for the retroactive application of agreed upon health and welfare changes commencing with the 2022 plan year. The NCCC will withdraw this proposal to offset application of health and welfare changes for the 2022 plan year upon agreement to terms introducing a tiering structure of employee contributions, addressed in item 11(C), above.

13. Withdrawn or modified provisions

- A. All Covered Members pay a monthly contribution (i.e., disabled, furloughed, dismissed, and suspended members) - withdrawn
- B. Monthly contributions for ERMA members – withdrawn
- C. Spousal surcharge – withdrawn
- D. Dental/vision member monthly contribution - reduced from 50% to 25%
- E. Medical actuarial value - increased from 85% to 86.5%
- F. Medical contribution cost share - reduced from 25% to 18%

**III. Work Rules<sup>2</sup>**

A. Modifications to NCCC's Position

a. The following NCCC proposals are withdrawn:

- 1) Consolidation of Agreements
- 2) Furlough Utilization
- 3) Labor Protection Modification
- 4) Management Right of Selection
- 5) New Installations
- 6) Temporary Active Employee Utilization
- 7) Short Term Subcontracting

B. GWIs shall be offset after the first ½ point (0.5%) of GWI-equivalent annual value to account for the economic cost or impact to the carriers of any work rule, time off, or other similar labor demand included in any final agreement.

- i. Resolve bereavement leave issue by focusing on: (a) expanding list of covered family members; (b) establish appropriate utilization rules; and (c) BMWED/SMART-MD withdrawal of the proposed 4<sup>th</sup> and 5<sup>th</sup> days of leave.
- ii. Travel Allowance – Amend Article XIV, Section 1, Paragraph (b) of the September 26, 1996 National Agreement to:

At the start up and break up of a gang, an allowance will be paid after 50 miles. The current payment of \$12.50 for the mileage between 51 miles and 100 miles will increase five dollars, (\$5) to a maximum of \$17.50.

C. BMWED/SMART-MD Craft Work Rules:

- 1. Public Road Crossing Rehabilitation
- 2. Building Construction & Maintenance
- 3. 40-Hour Workweek
- 4. Incidental Work Rule/Simple Tasks
- 5. Universal Shop Craft Employee

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<sup>2</sup> Except as provided herein, NCCC work rules proposals (including supporting language) are the proposals as described in materials previously exchanged in bargaining.

6. Training & Utilization
7. Discipline & Claims – There should be a standardized process for discipline, hearings & appeals, claims and grievances. A more efficient process for both the carriers and the organization can be obtained through a national rule that includes:
  - Exchanging correspondence electronically therefore reducing administrative time and costs
  - Utilizing available technology to have the option to hold hearings or conduct conferences virtually when the need exists
  - Establishing set timelines that streamline the process and expedite claims to finality for employees.

**IV. Term**

Standard national moratorium. New notices can be served 11/1/24, effective 1/1/25