

# CWA District 1 NY/NE

## Summary of Tentative Agreement

July 7, 2022



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District One Vice President Dennis Trainor is pleased to announce that CWA and the IBEW have reached a tentative agreement with Verizon on a three year extension of our current contract, which was scheduled to expire next August, 2023. The new agreement will expire on August 1, 2026.

This is an excellent contract that includes major gains in wages, increases pension benefits, adds a significant number of new CWA-represented jobs, and includes a new, extended Work from Home agreement. It also for the first time allows post-2008 hires to use their retiree health care stipend to purchase health care in the open market or on the ACA exchange, rather than being limited to purchasing only a Verizon plan. Over the life of the agreement, the compounded value of the wage increase will be 18.23%, which includes an additional 1.25% and 1% added to the wage increases that had been negotiated under the previous contract. A minimum of 500 new technicians will be hired in New York, and at least 225 call center employees will be hired into Sales & Service and Tech support positions in the NY/NE footprint. A committee has been established to determine whether additional sales and service employees can take over current online platform service work.

This agreement is a tribute to the militancy and determination our members demonstrated during the seven-week strike in 2016. That battle has now produced three contracts--the original agreement that ended the strike, the extension negotiated in 2018, and the current extension. Our members should be proud of what they have accomplished. At the same time, this agreement also reflects our changed relationship with Verizon. Especially with the impending vast federal and state investment in new broadband buildout over the next several years, it is clear that in some respects our interests overlap with management's. Together, we want that buildout work to be performed by well trained, experienced, well compensated union employees--and only Verizon can provide that workforce.

There is always more to be accomplished and fought for, but this is an agreement that we can all be proud of.

# Highlights of Tentative Agreement

## 1. Duration of Extension

The terms of the contract will become effective upon ratification and will remain in effect until 11:59 pm on August 1, 2026.

## 2. Wages and Other Compensation

- The wage increases listed below will be applied to all steps of the basic wage schedules on the date indicated:
  - 1.25 % (in addition to the 2.75% increase effective June 19, 2022) effective First Sunday after ratification
  - 1% (in addition to 3% already effective June 18, 2023)
  - 3% effective First Sunday following the second anniversary of ratification, 2024
  - 3% effective First Sunday following the third anniversary of ratification, 2025
  - 3% effective July 26, 2026

This is an 18.23% compounded wage increase between 2022-2026.

- **Cost of Living Adjustment:** A cost-of-living adjustment, effective on the first Sunday following the third anniversary of ratification, will be made to base wage rates. The adjustment is as follows: one-half of the increase above 3.75% in CPI-W for the period April 2024 through April 2025, not to exceed 2%. Example: Change in CPI equals 5.75% over the one-year period.  $5.75\% - 3.75\% = 2.0\%$  divided by 2 = 1.0% additional increase in wages.
- **Corporate Profit Sharing:** The Company will award Corporate Profit Sharing distributions in each year of the extension, with a minimum distribution of \$700 each year.
- **Ratification Bonus:** A one-time single Ratification Bonus of \$750 will be paid within thirty (30) days after ratification of this 2022 contract extension.

## 3. Pensions and Retirement Security

- Bands under the traditional pension plan will be increased on the dates indicated:
  - 1.5% effective June 29, 2023
  - 1.5% effective June 29, 2024
  - 1.5% effective June 29, 2025
- The “Additional Temporary Pension Lump Sum Basis” Letter of Agreement which provides an alternative method to calculate the PBGC lump sum value, dated November 16, 2020, will be in effect during the term of the extension.
- The Lump Sum Cash Out provisions will be continued.

- The Stock Together program will remain in effect during the term of the Extension Agreement.

#### 4. Healthcare Changes

The terms of the health care plan for the next year (2023) were bargained and ratified in 2018. This contract extension establishes plan changes for years 2024 - 2026 as shown.

##### a. Monthly Contributions toward Health Care Coverage

The following monthly rates assume non-smoker and completion of the Health Risk Assessment and apply for Employee only / Employee + Family Coverage:

Rates	MEP & HCN	EPO, HMOs and Other Plans
2023	\$142 / \$284	\$213 / \$426
2024	\$142 / \$284	\$213 / \$426
2025	\$150 / \$300	\$225 / \$450
2026	\$154 / \$308	\$231 / \$462

##### b. MEP and HCN Plan Design Change

Plan Design Elements (Employee Only Coverage)

Annual Deductible	MEP		HCN	
	<i>In-Network</i>	<i>Out-of-Network</i>	<i>In-Network</i>	<i>Out-of-Network</i>
2024	\$835	\$1,185	\$460	\$1,185
2025	\$850	\$1,215	\$475	\$1,215
2026	\$865	\$1,240	\$490	\$1,240
Annual Out-of-Pocket Maximum				
2024	\$2,220	\$3,440	\$2,220	\$3,440
2025	\$2,270	\$3,490	\$2,270	\$3,490
2026	\$2,320	\$3,540	\$2,320	\$3,540

- Deductibles and out-of-pocket maximums for Family coverage will continue to be 2.5x of the employee-only amount.
- Copays for all covered services and supplies that currently have a \$30 copay will be increased by \$5 in 2026.
- Emergency Room copays will increase by \$5 in 2025 and again by \$5 in 2026.
- The copay for Telemedicine (LiveHealth Online Only) will continue to be \$10.

### **c. EPO and HMO Plan Design Changes**

- Copays for all covered services and supplies that currently have a \$30 copay will be increased by \$5 in 2026.
- Emergency Room copays will increase by \$5 in 2025 and again by \$5 in 2026.
- The copay for Telemedicine (LiveHealth Online Only) will continue to be \$10.

### **5. Retirees with a Net Credited Service Date on or after August 3, 2008**

- Effective January 1, 2024, the annual benefit for retirees with a NCS Date on or after August 3, 2008, is increased from \$480 for each year of completed NCS (max. 30 years) to \$576 for each year of completed NCS (max. 25 years).
- For 2024 and each subsequent plan year, an eligible pre-Medicare Retiree with a NCS Date on or after August 3, 2008, who opts out of Company sponsored medical plan options and obtains non-Company sponsored medical coverage, will have a Health Reimbursement Account (HRA) established by the Company credited in an annual amount of \$576 for each year of completed NCS (max. 25 years). The HRA is subject to the rules and guidance of IRS Notice 2002-45 and agreement between the Company and Union on other terms.

### **6. Jobs**

- A minimum of 500 technicians will be hired in New York.
- 225 Call center employees will be hired into Sales & Service and Tech support positions in the NY/NE footprint.
- Temporary employees (excluding escorts) will be offered permanent status within 30 days of ratification.

- 5G work:
  - A majority of installation and maintenance dispatch work on 5G Home will be assigned to NY/NE technicians.
  - The Company will assign certain Sales & Service and Tech support work on 5G Home and consumer-like version of 5G Home for business customers in the NY / NE and MidAtlantic footprint. A 5 G Sales and Service and Tech support union / management committee will be formed to review the level of work being done and to explore ways to increase the amount of work performed by bargaining unit employees.
- Call Share percentages are increased as follows:

	Effective 7/1/2023	Effective 7/1/2024
Sales and Service	84%	85%
Tech Support	69%	70%

- A new option for digital chat to become available in 2024 with 100% of the digital chats being assigned to bargaining unit employees.
- Employees may be assigned to handle both calls and chats but will not be assigned to do so simultaneously. A joint union / management committee will be formed to explore ways to have employees in the Sales and Service and Tech Support centers perform additional online platform work.

## 7. Work At Home

- In connection with the Work-At-Home agreement a joint OCC (Operation Control Center) Committee will be formed to explore mutually agreeable options regarding the Company's stated business need to assign work between and among associates assigned to the New York and New England OCCs. If the committee makes recommendations that are agreeable to the Company and the Unions, they will be incorporated into the collective bargaining agreements. ·
- [The Work-At-Home Memorandum of Agreement in its entirety is available here.](#)