

**MICHIGAN STATE
UNIVERSITY**

Tentative Agreement
Between
Michigan State University,
The Employer,
And
Coalition of Labor Organizations at MSU
The CLO

As a result of negotiations between the parties for a successor agreement, the Employer and Coalition of Labor Organizations at MSU (the CLO) agree the attached revisions to the 2017 to 2021 Memorandum of Understanding between Michigan State University and CLO reflect the parties' Tentative Agreement for the successor agreement effective January 1, 2022 through December 31, 2025.

1. The attached Tentative Agreement is conditioned on each party's separate ratification of its provisions.
2. All tentative agreements are incorporated in the attached changes.
3. The parties recognize the funding available for wages and health care benefit levels in the attached Tentative Agreement were agreed upon with the understanding that each party would agree to, and ratify, separate letters of agreement which reduce the University's retirement contributions as defined in those separate letters of agreement. A copy is also attached. Thus, the parties agree the attached Tentative Agreement is conditioned upon each party's separate ratification of those separate letters of agreement.
4. All issues not specifically agreed to are hereby withdrawn by the Employer and the CLO.
5. The Employer and the CLO voluntarily enter into this Agreement and both parties, and their representatives, will recommend its ratification.



**Human
Resources**


Employee Relations

Michigan State University


1407 S. Harrison, Suite 240
East Lansing, MI
48823-5239


517-353-5510
Fax: 517-353-3523
www.hr.msu.edu

FOR THE EMPLOYER


Richard W. Fanning, Jr., Director
Office of Employee Relations
6/30/21

FOR THE CLO


Jose Martin Garza 6/30/21
Coalition of Labor Organizations at MSU


Shannon Alston 6/30/21
Coalition of Labor Organizations at MSU

June 30, 2021

The University reserves the right to withdraw, modify, add to, or amend these proposals, and to make any other proposals, at a later date.

1. 4-year contract, January 1, 2022 – December 31, 2025.
2. As part of this package proposal, and due to, and conditioned upon, separate agreements with all eight (8) individual unions, the University withdraws its proposals concerning employee contribution of 14% of the cost of the BCN medical and replacement of the wage increases in the 2021 cycle with a wage freeze (zero percent increase).
3. Fixed 1.00 % for the 2022 cycle.
4. Wage Matrix for 2023 wage cycle.

5. Health Experience	Care	Cost	Base Wage Factor Average	Lump Sums
0.0%	-	1.0%	2.00%	0.00%
1.01%	-	2.0%	1.75%	0.00%
2.01%	-	3.0%	1.50%	0.00%
3.01%	-	4.0%	1.25%	0.00%
4.01%	-	5.0%	1.00%	0.00%
5.01%	-	6.0%	1.00%	0.00%
6.01%	-	7.0%	0.00%	1.00%
7.01%	-	8.0%	0.00%	1.00%
8.01%	-	9.0%	0.00%	1.00%
9.01%	-	10.0%	0.00%	0.50%
10.01%	-	And Above	0.00%	0.50%

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6/30/21

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6/30/21

June 30, 2021

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5. Wage Matrix for 2024 and 2025 wage cycles.

Health Care Cost Experience	Base Wage Factor Average	Lump Sum
0.0% - 1.0%	2.50%	0.00%
1.01% - 2.0%	2.40%	0.00%
2.01% - 3.0%	2.30%	0.00%
3.01% - 4.0%	2.20%	0.00%
4.01% - 5.0%	2.1%	0.00%
5.01% - 6.0%	2.0%	0.00%
6.01% - 7.0%	1.9%	0.00%
7.01% - 8.0%	1.80%	0.00%
8.01% - 9.0%	1.60%	0.00%
9.01% - 10.0%	1.50%	0.00%
10.01% - And Above	0.00%	1.00%

Effective Dates of Agreements Between:	Initial Comparison Period	Ending Comparison Period
July 1, 2022 - October 1, 2023 (2022 cycle)	7/1/2020 – 6/30/2021	7/1/2021 – 6/30/2022
July 1, 2023 - October 1, 2024 (2023 cycle)	7/1/2021 – 6/30/2022	7/1/2022 – 6/30/2023
July 1, 2024 - October 1, 2025 (2024 cycle)	7/1/2022 – 6/30/2023	7/ 1/2023 – 6/30/2024
July 1, 2025 - October 1, 2026 (2025 cycle)	7/1/2023 – 6/30/2024	7/1/2024 – 6/30/2025

6. As part of the package, the University withdraws its proposal on the CDHP.
7. As part of this package proposal, the University withdraws its proposal on deductibles.
8. As part of this package proposal, the University withdraws its proposal on co-pays.
9. As part of this package proposal, the University withdraws its proposal on RX co-pays.

James 6/30/21

 mt 6/30/21

 SA 6/30/21

June 30, 2021

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10. As part of the package, the University withdraws its proposal on spousal health care and proposes to continue the current level (\$1,500).
11. Update text of Memorandum of Understanding as needed.
12. The University no longer agrees to a separate paragraph on dental and proposes to add dental to paragraph 5(c). See proposal 13 below.
13. Addition to items to Paragraph 5(C). The University proposes the following changes to Paragraph 5(C):

During the period of this Agreement, from January 1, ~~2022~~ ~~2018~~, until December 31, ~~2025~~ ~~2021~~, the University and the Coalition shall explore additional cost control measures such as:

1. Pursue strategies to enhance compliance for certain therapeutic drugs and evidence-based medical protocols
2. Mandatory step therapy for bio-tech drugs
3. Continue to look at other vendors and pricing structures
4. Require an up to 34-day trial (no initial 90-day supply) for new maintenance prescription drugs
5. Mandatory mail order
6. Network discounting by restricting retail networks
7. A lower cost health plan. (Which may include a High Deductible Health Plan with a Health Savings Account)
8. Alternative criteria for determining the lowest cost (base) plan
9. Mandatory consultation with Best Doctors prior to identified procedures
10. Copay amounts for emergency room visits
11. Spouse/OEI coverage through another employer
12. Mental health coverage and providers
13. Hearing aid coverage
- 14. Transparency tools for medical procedures**
- 15. Vendor savings opportunities per presentations**
- 16. Physical therapy co-pays**
- 17. Other "centers of excellence" that offer lower costs but still preserve quality**
- 18. Infusion Therapy**

JMA
6/30/21

SA
6/30/21

June 30, 2021

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19. Incentivize use of MSU Health Care Inc. Radiology services
 20. Continue exploration/discussion of Omada diabetes prevention program
 21. Transgender healthcare coverage
 22. Infertility coverage
 23. Incorporating the dental program in the CLO health care cost experience.
14. All other CLO proposals are not accepted.

MSU
6/30/21

SA
6/30/21

**MICHIGAN STATE
UNIVERSITY**

Letter of Agreement
Between
Michigan State University,
and

As a result of discussions between the Parties, the following is hereby agreed as an addition to the 20__ - 20__ Collective Bargaining Agreement Between Michigan State University and the _____ (hereinafter "the Union").

1. The University's contribution to the 403 (b) base retirement program for every employee within the bargaining unit represented by the Union shall be reduced from ten (10%) percent of the employee's retirement eligible earnings to five (5%) percent of the employee's retirement eligible earnings.
2. This Letter of Agreement shall supersede any contrary provision of any other agreement of the parties, including the parties' Collective Bargaining Agreement.
3. The reduction outlined in Paragraph 1 above shall be implemented as soon as practicable after full ratification.
4. The reduction outlined in this Letter of Agreement shall remain in place for two full years from the date of implementation and then shall automatically be restored.
5. During the negotiations for the successor to the current 20__ - 20__ Collective Bargaining Agreement the parties shall not propose, negotiate, or implement any further reductions in, or restoration of, the University contribution to the 403 (b) base retirement program.
6. This Letter of Agreement is non-precedent setting.



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FOR THE EMPLOYER

FOR THE UNION

Richard W. Fanning, Jr., Director
Office of Employee Relations

Date: _____

Janis
6/30/21
SA
6/30/21

