2010 – 2017 MEMORANDUM OF AGREEMENT ("MOA") between Doctors Council SEIU ("the Union"), the City of New York and the NYC Health and Hospitals Corporation ("HHC")

MEMORANDUM OF AGREEMENT entered into on May __, 2015 by and between the undersigned Doctors Council SEIU, the City of New York and the NYC Health and Hospitals Corporation.

WHEREAS, the undersigned parties desire to enter into a collective bargaining agreement, including this 2010-2017 MOA, and the successor agreement to the agreement terminating on March 27, 2010 ("successor unit agreement"), to cover the employees represented by the Union.

WHEREAS, the undersigned parties intend by this MOA to cover all economic and non-economic matters and to incorporate the terms of this MOA into the Successor Unit Agreement covering the period from March 28, 2010 to September 27, 2017;

WHEREAS, the undersigned parties intend by this MOA to continue all of the terms and conditions specified in the 2008-2010 Doctors Council SEIU Agreement, including all applicable side letters except as modified or amended below;

Now, therefore, it is jointly agreed as follows:

1. Term: The term of this Agreement shall be from March 28, 2010 through September 27, 2017.

2. Ratification Bonus:

A lump sum cash payment in the amount of $1,000, pro-rated for other than full-time employees, shall be payable as soon as practicable upon ratification of the Agreement to those employees who are on payroll as of the date of ratification. The lump sum cash payment shall be pensionable, consistent with applicable law.

i. Part-time per annum, per diem, per session and hourly paid Employees shall receive a pro-rata lump sum cash payment, the computation of which shall be based on service during the period from April 1, 2014 through March 31, 2015.

ii. Where the regular and customary work year for a title is less than a twelve-month year, such as a school year, such computations shall be based on service during the 2014-2015 school year or other applicable dates for other school-based employees.

iii. Part-time per annum, part-time per diem (including sessional appointees), per session, and hourly paid Employees, whose normal work year is less than a full calendar year shall receive a pro-rata portion of the lump sum cash payment based on their regularly scheduled hours and the hours in a full calendar year.

iv. The lump sum cash payment shall not become part of the Employee's basic salary rate nor be added to the Employee's basic salary for the calculation of any salary-based benefits including the calculation of future collective bargaining increases.

v. For circumstances that were not anticipated by the parties, the First Deputy Commissioner of Labor Relations may elect to issue, on a case-by-case basis, interpretations concerning the application of this Section 2 of this MOA. Such case-by-case interpretations shall not be subject to any dispute resolution procedures as per past practice of the parties.

3. General Wage Increases:

i. Effective September 28, 2011, employees shall receive a general increase of 1.00% payable as soon as practicable upon the ratification of this MOA.

ii. Effective September 28, 2012, employees shall receive a general increase of 1.00%, compounded, payable as soon as practicable upon the ratification of this MOA.

iii. Effective September 28, 2013, employees shall receive a general increase of 1.00%, compounded, payable as soon as practicable upon the ratification of this MOA.

iv. Effective September 28, 2014, employees shall receive a general increase of 1.50%, compounded, payable as soon as practicable upon the ratification of this MOA.

v. Effective September 28, 2015, employees shall receive a general increase of 2.50%, compounded, payable as soon as practicable after the effective date of the increase.

vi. Effective September 28, 2016, employees shall receive a general increase of 3.00%, compounded, payable as soon as practicable upon the effective date of this increase and the execution of the successor unit agreement.

Part-time per annum, per session, hourly paid and part-time per diem Employees (including sessional appointees) and Employees whose normal work year is less than a full calendar year shall receive the increases provided herein on the basis of computations heretofore utilized by the parties for all such Employees.

The general increases shall be applied to the base rates, incremental salary levels and the minimum "hiring rates," minimum "incumbent rates" and maximum rates (including levels) if any, fixed for the applicable titles.

4. Additions to Gross:

Effective September 28, 2016, the general wage increase described in Section 3 vi above shall be applied to "additions to gross." "Additions to gross" shall be defined to include uniform allowances, equipment allowances, transportation allowances, uniform maintenance allowances, assignment differentials, service increments, longevity differentials, advancement increases, assignment (level) increases, and experience, certification, educational, license, evening shift, or night shift differentials.

5. Additional Compensation Fund:

Effective March 28, 2017, the union shall have available funds not to exceed 0.78% to purchase recurring benefits. The calculation of available funds shall be based on the December 31, 2011 payroll, inclusive of spinoffs and pensions. The full amount of available funds under this paragraph shall be expended in the form of an increase in the per annum contribution to the Doctors Council Welfare Fund ("Welfare Fund") on behalf of active employees only equal to $780, for a total per annum contribution to the Welfare Fund on behalf of active employees only of $2,455, effective March 28, 2017.

Accordingly, the per annum welfare fund contribution for a full time active employee shall be: $1,585 as of July 1, 2014; $1,630 as of July 1, 2015; $1,675 as of July 1, 2016; $2,455 as of March 28, 2017; and $2,500 as of July 1, 2017. These contribution amounts are pro-rated for other than full time active employees in accordance with the parties' applicable welfare fund agreement.

6. Prohibition of Further Economic Demands:

No party to this agreement shall make additional economic demands during the term of this agreement.

7. Health Savings and Welfare Fund Contributions:

The May 5, 2014 Letter Agreement regarding health savings and welfare fund contributions between the City and the Municipal Labor Committee is attached as an Appendix and is deemed part of this Agreement.

8. Ratification: This MOA is subject to ratification by the union.

9. **New Article:**

Collaboration Councils

HHC and Doctors Council SEIU (the parties) hereby agree to this Memorandum of Agreement (MOA) and this shall be incorporated into the parties' respective Collective Bargaining Agreements.

Preamble

HHC and Doctors Council SEIU are committed to making HHC the provider of choice, by providing the best quality patient care and patient experience in a cost effective manner.

Given the constant and rapid change that is facing the industry, HHC and Doctors Council SEIU have committed to a new way of doing business. The parties agree that the input of frontline clinicians into decision-making is essential for the attainment of the goals and missions of our mutual and respective interests. The parties recognize that the doctors working in the HHC system have unique knowledge and insights that can contribute to enhancing the effectiveness of care. HHC leadership has a unique and valuable understanding of how the system functions, and the strengths of the system. HHC also has a responsibility to operate the system and is accountable for its outcomes.

The parties have a mutual interest in learning from the doctors' experience to improve the quality of care and patient experience. In so doing the parties jointly commit to placing the patient at the center of everything they do. High clinician engagement is essential for the success of HHC and it is critical for the staff to be aware and engaged in programs that advance the parties' mutual commitment to provide the best possible patient care. Patient satisfaction can be better achieved when clinician professional satisfaction is achieved.

System-wide and Facility-based Joint Committees

Therefore, HHC and Doctors Council SEIU shall establish a System-wide Steering Committee to oversee Facility-based Committees that will enlist and engage frontline clinicians in system-wide and local quality improvement efforts. The System-wide and facility-Based committees will identify and implement high priority quality patient care improvement initiatives that are designed to attain improvements in the delivery of health care to our patients. These committees will also, among other areas, work collaboratively in communication, education and training of doctors, especially on health care changes and reform and how it impacts the ability to practice, deliver and improve high quality care to our patients.

The scope of these committees should be broad and should include strategic initiatives, quality improvement, patient and clinician engagement, and business planning. Additionally, the powers of the committees will not supersede the legally mandated obligations of the parties and the duties of the governing boards of HHC, the facilities and Doctors Council SEIU.

The activities and decisions of the committees shall not be subject to challenge through the grievance and arbitration process; provided, however, that the union may initiate a grievance for the limited purpose of alleging that the Employer has failed to create the committees or has without good cause repeatedly failed to schedule committee meetings. In such a grievance, the union's sole remedy shall be an order requiring the employer to create the committees or to schedule a meeting of the committees. Nothing in this agreement shall restrict management rights.

HHC and Doctors Council are committed to the success of the joint committees. Success will be achieved through the engagement of frontline clinicians and HHC therefore commits to the enablement of the work of the Doctors Council members and their management counterparts to achieve success.

To that end, the parties will endeavor to schedule meetings sufficiently far in advance and in such a way as to ensure the attendance of the members.

The parties recognize that individual schedules may vary, and not all meetings can be scheduled at a time when all members are working or during traditional business hours. The parties further recognize that patient care comes first, and attendance may not be possible in light of patient care needs.

However, participation in committee meetings and jointly agreed upon implementation activities shall be considered performed during the workday. Such activities may include, but are not limited to attendance at both system-wide and facility joint committee meetings that fall under the auspices of this Agreement; including training and education, and other jointly agreed upon activities necessary for the success of the projects and initiatives authorized by the joint committees.

Goals/Activities of the Committees:

Establish mission statements, operating rules, concrete targets, goals, time lines, and objectives.

Manage implementation and review progress and eliminate barriers to implementation of improvement initiatives.

Work together with Doctors Council SEIU in the communication with, education and training of clinicians and community members.

Create effective sponsorship and supportive environments for the frontline clinicians to engage in projects to improve

a. Access to HHC services
b. The Overall patient experience
c. Care coordination, prevention, patient education, and communication
d. Doctor engagement, and that all health care workers and patients be treated with dignity and respect
e. Doctor recruitment and retention, credentialing and staffing
f. HHC finances
g. The development and use of metrics
h. Communication, education and training of doctors

Develop "demonstration projects" and use these projects as "learning laboratories" for the whole organization.

Educate doctors about the changing healthcare landscape and raise their "business literacy."

Create safe environments for communication and problem solving.

Identify opportunities for improvement and ways for doctors (along with other stakeholders) to actively engage and collaborate on initiatives to improve the quality of care, patient outcomes, and the patient experience.

Develop and identify educational programs to enhance the knowledge and engagement of the doctor staff, particularly concerning the changing healthcare landscape, healthcare reform, and quality measures. Review educational needs of doctors (including based on Doctors Council SEIU surveys and Doctors Council SEIU-Cornell University surveys).

Plan learning forums (perhaps using webinars) that can meet the needs identified.

Train Doctors Council SEIU members to be leaders/champions in quality improvement and health care change and reform.

Partnering with other stakeholder groups and teams to address improvement opportunities (i.e. Nursing Practice Council, DSRIP teams with community involvement).

Engage outside experts and facilitators, as needed and as funding permits, to aid in the work of the Committees, and to provide education and training for doctors and other staff.

Incorporate "just culture" into all facilities and identify meaningful ways to involve doctors in the implementation of "just culture," a method of analyzing and responding to medical issues.

The parties recognize that having in place a well-established performance improvement system and methodology is essential. A performance improvement system(s), such as breakthrough, shall include training of doctors to be participants and the parties shall work together to identify meaningful ways to involve doctors with a goal of strategic projects that result in sustainable system improvements.

How the Committees Members Work Together and Respect One Another

The members of the System-wide Committee and the Facility-based committees will engage in a *dialogue process, utilizing interest based problem solving* approaches. This requires deep listening and sharing of information. The members of the committees approach the conversation with a sense of curiosity and openness rather than staking positions. Learning about the underlying interests is critical. These committees are, among other aspects, a forum for sharing of information and problem solving. Development for the team members will be available early in the process so that the parties can jointly learn these skills.

Decisions of the committees will be derived at by using *consensus* where each of the parties feel that they have been "heard" and that they can "live with" the decision even if it isn't their first choice. If however, either party can demonstrate that a vital interest may be impacted by the decision, then an alternative to consensus will be used.

For the parties to have full and open dialogue, there needs to be a *safe environment*. The parties are committed to sharing information necessary to accomplish the objectives of the committees. The parties will share information to the extent permitted without violating any statutory, regulatory, or common law privacy, privilege, non-disclosure rule, or confidentiality.

Each of the parties has a unique role and responsibility in this endeavor. Committee members will recognize the similarities and differences and while not always agreeing, will work to respect and understand the differences.

The work of the committees shall be informed by appropriate evidence and available data, and the committees shall make evidence based decisions using available data and metrics.

HHC will make reasonable efforts to educate and brief members of the Committees about current initiatives, business plans, and the business environment in which it operates.

The existence of these committees, their composition, and their work shall not prejudice the position of any party and shall not be cited as evidence of any employment relationship or employment liability.

Contractual/grievance issues are not to be addressed by the Committees. If grievances arise, they will be referred to other forums.

In order for the committees to have *informed dialogue, information/data* needs to be shared in a comprehensible form. Information and data are critical aspects of the work.

An early initiative will be to determine the data that is needed, identify what is already available and what is necessary to analyze it in order to develop recommendations.

The parties will also clarify any information that is confidential or privileged and inappropriate to share.

How the Committees Are Constituted:

The System-wide Steering Committee shall consist of representatives of HHC and Doctors Council SEIU, and front line Doctors Council SEIU members. The following shall have one (1) Doctors Council SEIU member representative on the System-wide Committee as well as having a Facility-based Committee and the parties may agree to mutually add to or subtract from this list over the course of time:

Bellevue Hospital
Belvis D&TC
Coler Specialty Hospital
Coney Island Hospital
Cumberland D&TC
Dr. Susan Smith McKinney Nursing & Rehabilitation Center
East NY D&TC
Elmhurst Hospital
Harlem Hospital
Henry J. Carter Specialty Hospital
Governeur D&TC
Jacobi Medical Center
Kings County Hospital
Lincoln Hospital
Metropolitan Hospital
Morrisania D&TC
North Central Bronx Hospital
Queens Hospital
Renaissance Health Care Network D&TC
Seaview Hospital
Woodhull Hospital

Each of the above-named facilities shall establish a Facility-based Committee that will develop, monitor, and implement the initiatives established by the System-wide Committee. Composition of these Facility-based Committees shall be one (1) Doctors Council SEIU member from each department, as well as representatives of HHC

and Doctors Council SEIU. The Facility-based Committee will have the responsibility of cascading the work of the System-wide Committee and ensuring that the goals and initiatives of the System-wide Committee are effectively being implemented in all HHC facilities as well as addressing mutually agreed upon local issues.

Who Leads the Committees, Who Serves on the Committees

For the System-wise Committee and the Facility-based Committees, each Committee member represents his/her constituent groups/stakeholders and is responsible for communicating with them (both giving and gathering information).

For each committee, union and management will identify their representatives and share the names with the other. If either party has significant concern with a particular name, the parties will discuss their concerns or interests.

The HHC representatives on each committee shall have the appropriate authority and institutional position to enable the committees to be successful.

For the System-wide Committee, management representatives shall include: the HHC Chief Medical Officer (CMO) HHC Chief Operating Officer (COO) and Senior Vice President of Affiliations, the HHC Quality Improvement Officer (QIO), the HHC CFO, and an appropriate number of representatives from the facilities with corresponding Facility-based committees. Ideally, selected members of the Facility-based committees shall also serve on the System-wide Committee.

Facility-based Committees shall consist of management representatives similar to those on the System-wide Committee: the facility COO, facility CMO, facility CFO, and facility QIO.

Each party acknowledges that, from time to time, any member of the committee may be prevented from appearing at a regularly scheduled committee meeting (i.e. vacation, illness, emergency necessity). Each committee shall have the right to assign a designee to attend that particular meeting in the primary member's absence.

Each committee will be co-led by a leader selected by HHC (or the facility's chief executive) and a doctor selected by Doctors Council SEIU. These co-chairs will be responsible for developing and circulating an agenda in advance of the meeting, ensuring that meeting minutes are kept and shared in a timely manner, and that action items are completed between meetings. The minutes of meetings of all the committees shall be sent to, among others, the President and Chief Medical Officer of HHC and the President and Executive Director of Doctors Council SEIU.

The parties will come to each meeting ready to deliberate and work; the emphasis is on ensuring that each meeting is productive and action-oriented, even if some members are not present.

Committee members will participate in joint learning sessions as necessary, to enable the parties to function using new or different skills than has historically been employed.

How Frequently the Committees Meet

System-wide Committee: For the first six (6) months, the System-wide Committee will meet the second Thursday (unless mutually agreed otherwise) of each month for at least two (2) hours. The parties may agree to meet more often if need be.

After six (6) months, the System-wide Committee will meet every three (3) months on the second Thursday (unless mutually agreed otherwise) of the month for at least two (2) hours. The parties may agree to meet more often if need be.

Facility-based Committees: Each Facility-based Committee shall meet at least once (1) per month for at least two (2) hours, beginning after the third meeting of the System-wide Committee. The parties may agree to meet more often if need be.

Once the committees have been established, the parties can mutually agree to a different schedule and duration of meetings.

Application to other City workplaces:

The parties agree to discuss the practicality of creating similar arrangements in other city workplaces.

FOR THE CITY OF NEW YORK AND RELATED PUBLIC EMPLOYERS

BY: _____

ROBERT W. LINN
COMMISSIONER

FOR DOCTORS COUNCIL SEIU

BY: _____

FRANK PROSCIA, MD
PRESIDENT

FOR THE NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

BY: _____

SALVATORE J. RUSSO
SENIOR VICE PRESIDENT/GENERAL COUNSEL

OFFICE OF LABOR RELATIONS

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ROBERT W. LINN
Commissioner

RENEE CAMPION
First Deputy Commissioner

MAYRA E. BELL
General Counsel
CHRIS BERNER
Chief of Staff
GEORGETTE GESTELY
Director, Employee Benefits Program

May 1, 2015

Kevin Collins
Executive Director
Doctors Council
50 Broadway, 11th Floor, Suite 1101
New York, NY 10004

Re: 2014 Agreement between the City of New York and the Municipal Labor Committee Regarding Welfare Fund Contributions

Dear Mr. Collins:

As memorialized in a May 5, 2014 written agreement (attached) between the City of New York ("City") and the Municipal Labor Committee ("MLC"), the parties agreed that "(u)p to an additional total amount of $150 million will be available over the four year period from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties." Pursuant to this agreement, Doctors Council and the City agree to the following:

- *Effective July 1, 2014, there shall be an increase to the Employer's contribution to the Union-administered welfare funds by $45 per annum per active employee.*
- *Effective July 1, 2015, there shall be an additional increase to the Employer's contribution to the Union-administered welfare funds by $45 per annum per active employee, for a total of $90 per annum per active employee.*
- *Effective July 1, 2016, there shall be an additional increase to the Employer's contribution to the Union-administered welfare funds by $45 per annum per active employee, for a total of $135 per annum per active employee.*
- *Effective July 1, 2017, there shall be an additional increase to the Employer's contribution to the Union-administered welfare funds by $45 per annum per active employee, for a total of $180 per annum per active employee and for every year thereafter.*

These payments shall be made on behalf of each full time per annum active employee only (or other applicable equivalent for other than full time per annum active employee). For other than full time per annum active employees, payment shall be in accordance with the applicable welfare fund agreement.

Kindly indicate your agreement to modify your individual Welfare Fund agreement, in accordance with what was previously agreed to by the City and the MLC, and to incorporate such amendment into your individual Welfare Fund trust agreement by affixing your signature in the space provided below. Please return the signed letter to Georgette Gestely, Director, Employee Benefits Program.

Thank you for your cooperation.

Very truly yours,

Robert W. Linn

Agreed and Accepted on behalf of Doctors Council

BY: _____

THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS
40 Rector Street, New York, NY 10006-1705
http://nyc.gov/olr

ROBERT W. LINN
Commissioner

May 5, 2014

Harry Nespoli
Chair, Municipal Labor Committee
125 Barclay Street
New York, NY 10007

Dear Mr. Nespoli:

This is to confirm the parties' mutual understanding concerning the following issues:

1. Unless otherwise agreed to by the parties, the Welfare Fund contribution will remain constant for the length of the successor unit agreements, including the $65 funded from the Stabilization Fund pursuant to the 2005 Health Benefits Agreement between the City of New York and the Municipal Labor Committee.

2. Effective July 1, 2014, the Stabilization Fund shall convey $1 Billion to the City of New York to be used to support wage increases and other economic items for the current round of collective bargaining (for the period up to and including fiscal year 2018). Up to an additional total amount of $150 million will be available over the four year period from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties. Thereafter, $ 60 million per year will be available from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties.

3. If the parties decide to engage in a centralized purchase of Prescription Drugs, and savings and efficiencies are identified therefrom, there shall not be any reduction in welfare fund contributions.

4. There shall be a joint committee formed that will engage in a process to select an independent healthcare actuary, and any other mutually agreed upon additional outside expertise, to develop an accounting system to measure and calculate savings.

5. The MLC agrees to generate cumulative healthcare savings of $3.4 billion over the course of Fiscal Years 2015 through 2018, said savings to be exclusive of the monies referenced in Paragraph 2 above and generated in the individual fiscal years as follows: (i) $400 million in Fiscal Year 2015; (ii) $700 million in Fiscal Year 2016; (iii) $1 billion in Fiscal Year 2017; (iv) $1.3 billion in Fiscal Year 2018; and (v) for every fiscal year thereafter, the savings on a citywide basis in health care costs shall continue on a recurring basis. At the conclusion of Fiscal Year 2018, the parties shall calculate the savings realized during the prior four-year period. In the event that the MLC has generated more than $3.4 billion in cumulative healthcare savings during the four-year period, as determined by the jointly selected healthcare actuary, up to the first $365 million of such additional savings shall be credited proportionately to each union as a one-time lump sum pensionable bonus payment for its members. Should the union desire to use these funds for other purposes, the parties shall negotiate in good faith to attempt to agree on an appropriate alternative use. Any additional savings generated for the four-year period beyond the first $365 million will be shared equally with the City and the MLC for the same purposes and subject to the same procedure as the first $365 million. Additional savings beyond $1.3 billion in FY 2018 that carry over into FY 2019 shall be subject to negotiations between the parties.

6. The following initiatives are among those that the MLC and the City could consider in their joint efforts to meet the aforementioned annual and four-year cumulative savings figures: minimum premium, self-insurance, dependent eligibility verification audits, the capping of the HIP HMO rate, the capping of the Senior Care rate, the equalization formula, marketing plans, Medicare Advantage, and the more effective delivery of health care.

7. <u>Dispute Resolution</u>

a. In the event of any dispute under this agreement, the parties shall meet and confer in an attempt to resolve the dispute. If the parties cannot resolve the dispute, such dispute shall be referred to Arbitrator Martin F. Scheinman for resolution.
b. Such dispute shall be resolved within 90 days.
c. The arbitrator shall have the authority to impose interim relief that is consistent with the parties' intent.
d. The arbitrator shall have the authority to meet with the parties at such times as the arbitrator determines is appropriate to enforce the terms of this agreement.
e. If the parties are unable to agree on the independent health care actuary described above, the arbitrator shall select the impartial health care actuary to be retained by the parties.
f. The parties shall share the costs for the arbitrator and the actuary the arbitrator selects.

If the above accords with your understanding and agreement, kindly execute the signature line provided.

Sincerely,

Robert W. Linn
Commissioner

Agreed and Accepted on behalf of the Municipal Labor Committee

BY: _____
Harry Nespoli, Chair