



CAPITAL AREA TRANSIT SYSTEM

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**SPECIAL MEETING OF THE
BOARD OF COMMISSIONERS OF
CAPITAL AREA TRANSIT SYSTEM
AND
PUBLIC TRANSPORTATION COMMISSION
DECEMBER 3, 2020
4:00 p.m.
VIRTUAL**

MINUTES

I. CALL TO ORDER: Mr. Mark Bellue

Mr. Bellue called the meeting to order.

II. ROLL CALL: Ms. Amie McNaylor

All members were present at the meeting, namely Messrs. Bellue, Breaux, Cohran, Hill, Lambert, and O’Gorman and Mss. Green, Pierre and Perkins. Mr. O’Gorman and Ms. Green were absent. Also present were Mr. Bill Deville, CEO; other CATS staff; Creighton Abadie, CATS attorney; and members of the public.

III. ACTION ITEMS

1. Consideration of authorization to approve health insurance contract for 2021

Mr. Bellue called the meeting to order and thanked the members for making the time to attend the virtual meeting.

Mr. Abadie read the notice for public comments for the special board meeting into the record and noted that the link to view the meeting was provided in the notice. Mr. Abadie shared that an email address was provided for members of the public to submit public comments ahead of the meeting.

Mr. Bellue informed the members that he has reviewed the health insurance proposal from Blue Cross Blue Shield and it appears to be a better plan, but any plan is going to affect individuals differently, according to their needs.

Mr. Bellue let the members know that management has made a reasonable effort to make a presentation to the members of the ATU but at this point, the union has not approved the switch from United Healthcare to BCBS, as is required under the Collective Bargaining Agreement.

There is a difference of approximately \$141,000 between the plans offered by United Healthcare and BCBC and that cost will be split with the agency paying 65% and the employee paying 35% of the cost.

Mr. Bellue stated that, without the approval from the union to switch carriers, he recommends that CATS stay with United Healthcare for insurance.

Ms. Perkins inquired as to why this change from the board meeting was being recommended. Mr. Bellue shared that a decision had not been made and this was simply his recommendation. He noted that the union contract requires approval by the union if the carrier changes.

Mr. Bellue inquired if there were any public comments submitted via email and Ms. McNaylor noted that there was one. That comment was read into the record as follows:

“To whom my concern,

At the November 24, 2020 CATS Board meeting the union witnessed representatives of BC/BS present a proposal negotiated by CATS and Gallagher as to the benefit structure of the participants of the CBA for open enrollment and new rates for 2012. The union questioned this act and advised the board and CATS of the agreed upon CBA by the parties, specifically Article 36 (sec 5).

Upon the challenge by the union we established the trustees of the parties and we had a zoom call meeting on November 27, 2020, information was forwarded by CATS to the union trustees to prepare for the zoom call. On the call was Bill DeVille, Pearlina Thomas, Anthony Garland, Gallagher, Javier Perez and Curtis Howard. The union trustees requested additional information of the CATS representatives during the call for an additional meeting on

Wednesday 12-2-2020.

In November 2019 (again late by CATS) CATS contacted the union trustees to discuss open enrollment for 2020. Shandolyn Thomas (CATS Benefits Specialist) Jim Fight (HR Director), HUB and the union trustees Yvette Rhines, George DeCuir and Shavez Smith were present and trustees (per the contract Article 36 sec 5) discussed the current rates of the health care plan. The trustees agreed to the changes and approved for open enrollment for 2020, as well, the representative from HUB presented the new health care changes to the members of 1546 at their monthly membership meeting in December 2020. This is confirmed by each person listed above.

Since the HR Director and Benefits Specialist is no longer at CATS they have, along with the CATS Board, outsourced all matters pertaining to health care Article 36 sec 5 to Gallagher. This is totally a violation of the 13c rights of the workers, as well as, working condition and the CBA approved by CATS and it's Board of Directors.

Be mindful, CATS has assumed "ALL" responsibilities and functions of the trustees to Gallagher which is totally a reversal from the experienced and knowledgeable HR personnel of last year.

There is no accountability for the non transparent, incompetent inept actions of the Executives at CATS by this Board but yet you are imposing your will on the work force covered under the CBA that you agreed to. The board is implicit and complicit with the decisions and actions of CATS.

Finally, during the zoom call yesterday December 2, 2020 the Gallagher representative informed us that they presented the new rates and plan adjustments to CATS in August of this year the union was not not informed .

SAVE CATS FROM CATS

**Respectfully
AW Garland"**

Mr. Bellue noted that if the coverage stays with United Healthcare, it can be moved to Blue Cross Blue Shield at any point during 2021. It does not have to be a full year of coverage with United.

Mr. Cohran inquired about the cost of the premium for the two plans and Mr. Bellue shared that the cost was lower for BCBS by almost \$150,000. Mr. Little of Gallagher confirmed this rate.

Mr. Hill clarified that the plan with Blue Cross Blue Shield is less expensive but the union has not approved it. Mr. Bellue noted that was correct.

Mr. Little noted that the majority of employees would see a 7.5% increase in premium.

Mr. Abadie notified the board that there are two choices before the board at this time: the board can renew the current plan with United Healthcare or switch to a new plan with Blue Cross Blue Shield.

If the board chooses to renew the current plan with United Healthcare at an increase of \$141,000 over Blue Cross Blue Shield, CATS is not prohibited from moving to the new plan with BCBS at some point in the future.

There would be logistical issues with such a change if it were to occur, such as deductibles having to be transferred to the new carrier.

There is an option for the board to choose to approve a new plan with BCBS, but this presents legal challenges related to the Collective Bargaining Agreement. The ATU has not agreed to approve the new carrier even though there have been several discussions among union officials, CATS management, and Gallagher representatives. If the board chooses to approve this plan, CATS would be in violation of the CBA.

The ATU has made it known that they will grieve this decision, which could lead to arbitration over the matter, as well as arbitration over the alleged violation of CATS' 13(c) agreement.

The 13(c) agreement is the agreement required by the federal government to protect the rights and benefits of transit union members.

Mr. Abadie stated he believes that the last change in provider was in 2012. However, the minutes from the 2012 CATS board meeting are silent as to whether or not there was approval from the ATU.

Since that time, there have been renewals with United Healthcare, and in at least five instances, the approvals of the ATU were reflected in the CATS board minutes.

Mr. Abadie reiterated that the board may choose to renew the coverage with United Healthcare and CATS management can continue to work to reach an agreement regarding BCBS.

Mr. Little offered a point of clarification regarding the comment read into the record on behalf of Mr. Garland. He noted that the comment stated that Gallagher representatives presented a renewal cost to CATS in August, but this is not the case. As Mr. Little stated on the call with the union, Gallagher presented CATS officials with cost projections in August; Gallagher did not receive a cost for the renewal from United Healthcare until mid-September. At that time, Gallagher sought quotes and presented a proposal to CATS in mid-October.

Mr. Bellue moved that the CEO renew the current healthcare plan with United Healthcare and Mr. Cohran seconded the motion. Mr. Bellue requested a roll call vote. Voting yes were Messrs. Bellue, Breaux, Cohran, Hill, Lambert, and O’Gorman and Mss. Green and Pierre. Voting no was Ms. Perkins. The motion carried.

IX. ADJOURNMENT

Ms. Perkins moved to adjourn the meeting and Mr. Cohran seconded the motion. The motion passed unanimously with no abstentions.