

Bargaining Update for UC Service Employees

UC offers affordable health care, continuation of pension benefits for current staff

UC service staff who currently work at the university would keep the same excellent pension benefits you have now, and receive affordable health care under UC's latest proposal, presented to AFSCME on May 11-12.

No change in pension benefits for current staff

Current employees will see no change in their pension benefits under UC's proposal. You will continue to receive the same retirement benefits program you do now.

UC is proposing the Choice Program for future employees hired after a new contract is ratified. Future employees would have the choice to pick between a traditional pension plan or a 401(k)-style plan, whichever fits their needs and preferences. The Choice Program grew out of the 2015 budget agreement between UC and the state, and is part of UC's broader effort to maintain its excellence and long-term financial health. UC's actuary confirmed that allowing new employees to select the 401(k)-style option does not jeopardize UC's ability to pay pension benefits.

Please see the [attached fact sheet](#) for more details about our proposal and how UC is protecting your pension benefits.

Quality health care at affordable rates

UC is offering service employees excellent health care at the same affordable rates that all UC employees pay. Today, UC keeps employee rates low by picking up 87 percent on average of medical plan premium costs. UC's rates are structured so that lower-salaried employees pay substantially less for medical care than higher-salaried employees.

The typical service employee would pay just \$32 a month for Kaiser HMO coverage, or \$384 a year, for medical care for themselves and their children. By contrast, the average American worker pays over \$5,200 per year for less generous health benefits — just for themselves.

Market-competitive wages

UC service employees currently receive market-competitive pay. In addition to UC's pension and health care proposals, UC has offered its service staff a step increase in each year of a five-year contract — equal to a 2 percent increase per year — for eligible employees. This wage proposal would keep service staff at the top of the market.

Next bargaining dates

UC is committed to reaching a fair, comprehensive, multi-year contract for you and your colleagues as quickly as possible. The next bargaining session is May 24-25.