Health Care Professional (HX) Unit Agreement Ratified

The university has reached an agreement with the University Professional and Technical Employees union on a new labor contract regarding UC health care professional employees. As you may know, a tentative agreement was reached on September 29, 2010, and UPTE members have voted to approve the new contract.

This agreement acknowledges the critical role played by health care professional employees in helping UCDHS deliver quality patient care and recognizes the many contributions you make. Highlights of the agreement include:

**Wages:**
- December 2010: Step increase (approximately 2%) for career employees with satisfactory performance;
- December 2010: Across-the-board range adjustment of 3%, with 1% of the increase held until May 2011. The additional 1% will be paid only if UPTE continues to agree that HX employees will pay an additional 1.5% contribution to the UC Retirement Plan (UCRP) starting in July 2011. If UPTE does not demand to bargain the additional July 2011 UCRP contribution, this 1% will be paid in the form of a lump sum for the period of December 2010 to May 2011, and will be added to employees' base salary in May 2011.
- July 1, 2011: Step increase (approximately 2%), provided UPTE does not demand to bargain the additional 1.5% UCRP employee contribution. If a demand to bargain is made, the July 2011 step increase will be held until the conclusion of negotiations.

**Health benefits:** Health care professional employees will continue to enjoy the same excellent medical benefits provided to other UC employees. For calendar years 2010 and 2011, health care professional employees will contribute to monthly premiums and other benefit costs consistent with the employee's pay band and coverage selected.

**Pension contributions:**
- Health care professional employee contributions currently going to the UC Defined Contribution Plan (approximately 2% of salary) will be re-directed to the UC Retirement Plan, retroactive to May 1, 2010;
- Delayed UCRP contributions will be repaid to UCRP through payroll deductions, in equal amounts, spread over a six-month period;
- Employee contributions to UCRP will increase by an additional 1.5% effective July 1, 2011, unless UPTE advises UC, prior to April 1, 2011, that the additional 1.5% employee contribution is unacceptable. Should UPTE instead demand to bargain the additional 1.5% contribution, the issue will be addressed in future negotiations. In this event, the contract would expire on June 30, 2011, and neither the additional 1% across-the-board increase nor the July 2011 step increase would be paid.

**Contract duration:** The current contract is extended through December 31, 2011, provided UPTE agrees to the additional 1.5% employee pension contribution in 2011. Absent such agreement the contract shall expire on June 30, 2011, and the parties will engage in negotiations for a successor contract.

Your questions or requests for more information can be directed to the Compensation Unit at 734-5009.