

SUMMARY OF TENTATIVE AGREEMENT
BETWEEN
COMMUNICATIONS WORKERS OF AMERICA DISTRICT
2-13 AND DISTRICT 1 NJ
AND
VERIZON MID-ATLANTIC

JULY 2022



VERIZON MID-ATLANTIC – SUMMARY TENTATIVE AGREEMENT TO EXTEND

JULY 7, 2022

CWA is pleased to announce that we have reached a tentative agreement with Verizon to extend the current collective bargaining agreement. The current contract is set to expire August 5, 2023. The tentative agreement, subject to ratification by the membership, will extend the contract to August 1, 2026.

Duration of Contract Extension: The three-year extension agreement will continue the terms of the current contract (as extended in 2018) in full, unless otherwise noted, until 11:59 p.m., August 1, 2026.

1. Wages and Other Compensation

The Extension Agreement provides wage increases in 2022 and 2023 over and above what is already in the current agreement, plus annual raises during the 3-year extension. As a result, the base wage will increase by a total of 18.23% from 2022 through 2026 (compounded). A ratification bonus of \$750 and yearly Corporate Profit Sharing payments of at least \$700 will add to wage gains.

a. General Wage Increase – The additional increase in 2022 and 2023, as well as the new increases, are listed below. All are applied to all steps in the basic wage schedules on the dates indicated.

- 2022: First Sunday following ratification – 1.25% (in addition to 2.75% effective June 19, 2022)
- June 18, 2023: 1% (in addition to 3% already effective June 18, 2023, for a total of 4%)
- 2024: First Sunday following the second anniversary of ratification – 3%
- 2025: First Sunday following the third anniversary of ratification – 3%
- July 26, 2026: 3%
- Compounded increase: 18.23%

b. Cost of Living Adjustment - A cost-of-living adjustment, effective on the first Sunday following the third anniversary of ratification, will be made to base wage rates. The adjustment is as follows:

The change in CPI during the period April 2024 through April 2025, minus 3.75%, divided by two, not to exceed 2%. Example: Change in CPI equals 4.25% over the one-year period. $4.25\% - 3.75\% = 0.5\%$ divided by 2 = 0.25% additional increase in wages.

c. Ratification Bonus - \$750, payable within 30 days after ratification

d. Corporate Profit Sharing - The Company will award Corporate Profit Sharing distributions in each year of the extension, with a minimum distribution of \$700 each year.

2. Pensions and Retirement Security

- The Lump Sum Cash Out provisions will be continued.
- The “Additional Temporary Pension Lump Sum Basis” Letter of Agreement, dated November 12, 2020, which provides an alternative method to calculate the PBGC lump sum value, will be in effect during the term of the extension.
- Pension bands will be increased 1.5% on June 29 of 2023, 2024, and 2025.
- The Stock Together program will remain in effect during the term of the Extension Agreement.

3. Health Care

The Extension Agreement provides for modest changes in cost sharing under the health care plans.

a. Contributions - The Extension Agreement provides for no increase in monthly premium contribution in 2024 and a modest increase in 2025. The chart below reflects the **2023 contribution amounts established by the current contract**, along with 2024 through 2026 contribution amounts included in the Extension Agreement.

The following monthly amounts assume non-smoker and completion of the Health Risk Assessment*. Deductions will be pre-tax and divided over four paychecks each month.

	MCN & MEP (Monthly)		EPO, HMOs, and Other Plans (Monthly) (contributions will be no greater than the following)	
	Employee	Employee + Family	Employee	Employee + Family
2023	\$142	\$284	\$213	\$426
2024	\$142	\$284	\$213	\$426
2025	\$150	\$300	\$225	\$450
2026	\$150	\$300	\$225	\$450

* The \$100 health risk assessment credit, which remains unchanged for the duration of the extension, is reflected in the amounts above. Without the health risk assessment credit, an additional \$8.33 per month will be charged. The tobacco premium remains unchanged. If an employee or covered dependent uses tobacco products, the rates above will be increased by \$50 per month. The additional cost can be avoided by participation in a smoking cessation program or activity.

- b. **Deductibles and Out of Pocket Maximums** - The chart below reflects **2023 amounts established by the current agreement**, along with 2024 through 2026 amounts included in the Extension Agreement.

	MCN		MEP	
	In Network	Out of Network	In Network	Out of Network
ANNUAL DEDUCTIBLE (Deductibles apply to Out-of-Pocket Maximum.)				
Individual	2023: \$275 2024: \$275 2025: \$300 2026: \$325	2023: \$925 2024: \$925 2025: \$950 2026: \$975	2023: \$700 2024: \$700 2025: \$725 2026: \$750	2023: \$925 2024: \$925 2025: \$950 2026: \$975
Family	2.5 times the individual rate			
OUT-OF-POCKET MAXIMUM				
Individual	2023: \$1,550 2024: \$1,550 2025: \$1,600 2026: \$1,650	2023: \$2,350 2024: \$2,350 2025: \$2,400 2026: \$2,450	2023: \$1,650 2024: \$1,650 2025: \$1,700 2026: \$1,750	2023: \$2,550 2024: \$2,550 2025: \$2,600 2026: \$2,650
Family	2.5 times the individual rate			

- c. **Copays** - Copays in the MCN and MEP health care plans will remain unchanged through the extension, except for Specialist Office Visits in 2026 and Emergency Room Visits in 2025 and 2026.
- Telemedicine (LiveHealth Online Only) copay will remain \$10.
 - Specialist Office Visits copay:
 - 2023: \$30**
 - 2024: \$30
 - 2025: \$30
 - 2026: \$35
 - Emergency Room Visits (waived if admitted):
 - 2023: \$150**
 - 2024: \$150
 - 2025: \$155
 - 2026: \$160

- Urgent Care copays will remain \$25.

d. HMO and EPO Plan Changes - Copay maximums in HMO and EPO plans will remain unchanged through the extension, except as follows:

- Specialist Office Visits: \$35 in 2026
- Emergency Room Visits: \$155 in 2025 and \$160 in 2026

4. Retiree Health Benefits

- Effective January 1, 2024, the annual benefit for retirees with a NCS Date on or after August 3, 2008, will be increased from \$480 for each year of completed NCS (max. 30 years) to \$576 for each year of completed NCS (max. 25 years).
- For 2024 and each subsequent plan year, an eligible pre-Medicare Retiree with a NCS Date on or after August 3, 2008, who opts out of Company sponsored medical plan options and obtains non-Company sponsored medical coverage, will have a Health Reimbursement Account (HRA) established by the Company credited in an annual amount of \$576 for each year of completed NCS (max. 25 years). The HRA is subject to the rules and guidance of IRS Notice 2002-45 and agreement between the Company and Union on other terms.

5. Union Jobs

Quality union jobs will be added over the term of the Extension Agreement.

- 900 technicians will be hired in the Mid-Atlantic footprint, with a minimum of 550 in CWA District 2-13 area.
- 225 will be hired into positions in the Sales and Services and Tech Support Centers.

6. Additional Work

- The Extension Agreement provides for a majority of the professional installation and maintenance dispatches of 5G Work in the Mid-Atlantic footprint to be performed by bargaining unit associates.
- 5G Sales and Service and Tech Support will be assigned to Sales and Service and Tech Support Centers. Additionally, the Company and Union will form a 5G Home Committee to review the level of work being done and to explore ways to increase the amount of work performed by bargaining unit associates.
- Call volume percentages will be increased in Sales and Service to 69% by July 1, 2023, and 70% by January 1, 2024.
- Call volume percentages will be increased in Tech Support to 56% by July 1, 2023, and 57% by January 1, 2024.
- No later than January 1, 2024, for consumer calls on hold, the Company will give the customer the option to directly initiate a digital chat and 100% of such chats will be handled by bargaining unit employees in the Mid-Atlantic and New York/New England footprint. Employees may be assigned to handle both calls and chats but will not be assigned to do so simultaneously.
- The Company and Union will form a committee to explore ways to have associates in the sales and service and tech support centers perform additional online platform work, including Click-to-Chat and others that may evolve.

7. Work-at-Home

The Extension Agreement includes a Work-At-Home Memorandum of Agreement (available in its entirety at <https://cwa.org/ma-wah>), which will become effective only when agreed upon by all CWA (Districts 1 and 2-13) and IBEW (Locals 827 and 2213 and T-6 Council).