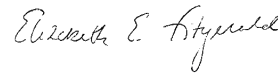


To: Becca Balint, Senate President Pro Tempore  
Jill Krowinski, Speaker of the House  
Susanne Young, Secretary, Agency of Administration  
Dan French, Secretary, Agency of Education

From: Employer Commissioners of the Commission on Public School Employee Health Benefits: Elizabeth Fitzgerald (Chair), Patrick Healy, Adrienne Raymond, Susan Prescott, Laura Soares, Kim Farnham (Alternate) and Mark Koenig (Alternate)



Re: Concerns Regarding the Viability of This Commission

Date: November 12, 2021

During the first week of November, arbitration commenced which will bring an end to the second round of bargaining on statewide healthcare for public school employees. While the outcome of this arbitration is not yet known, the Employer Commissioners wish to take this opportunity to present their concerns regarding the structure and process of the Commission. Also after two rounds of statewide bargaining, we should take time to assess whether the Commission has made any gains with regard to the Legislature's original intent.

### Issues

- The Commission, with five employer commissioners and five employee commissioners, is structured to guarantee polarization. It not only operates under an "us versus them" mentality, but has a tendency to deliberate on issues over which it has no authority or jurisdiction.
- With conflict "baked in" from the beginning, each round of bargaining is assured to end up in arbitration.
- Since the first meeting, the divided Commission has been unable to agree on basic matters including its mission, goals, and meeting times.
- The Commission represents employers and employees, but has no participation from Vermont taxpayers who ultimately pay for the majority of public school employee benefits.
- Additionally, the Commission has no representation from the Vermont Education Health Initiative (VEHI), the non-profit organization designated to oversee health benefits for employees, retirees, and their dependents. Neither does it have any representation from the State through the Agency of Education.
- During the first two rounds of statewide bargaining under the current structure, the Commission focused entirely on the employer/employee share of health benefit payments.
- The Commission has yet to seriously address the issue of the overall cost of medical care for public school employee health benefits.

- The current discouraging environment on the Commission will make it difficult to retain or recruit employer commissioners.
- Ultimately, the Employer Commissioners are in agreement that the original intent to contain costs by bargaining on a statewide level has not been met. Costs to school districts and tax payers have increased as a result of this Commission as health care benefits to public school employees have gotten richer.

### Possible Solutions

- Change the composition of the Commission so that it includes a broader and more diverse group of stakeholders (i.e., a “Blue Ribbon” Commission).
- Mandate that (1) the Commission as a whole develop a common mission, engage in learning sessions, and set both short and long-term goals; (2) the Commission meetings not take place during the school day; and, (3) that the Vermont Legislative committees which deal with Labor Relations, Education, and Finance should take a more hands-on approach to the structure and operation of the Commission.
- Reform and abbreviate the bargaining process so that any issues not resolved during directed negotiation proceed directly to arbitration.
- Require that members of the arbitration panel have some expertise in health benefits.
- Do not limit the arbitration panel to a “winner takes all” result when determining its award.
- Transition public school employees into the state healthcare system or design a healthcare benefit for them that parallels the state system.
- Dissolve the Commission and allow local districts to once again negotiate health care benefits.

Cc: Senate Education Committee Members

Senate Finance Committee Members

Senate Appropriations Committee Members

Senate Economic Development, Housing & General Affairs Committee Members

House Education Committee Members

House Ways & Means Committee Members

House Appropriations Committee Members

House General, Housing & Military Affairs Committee Members

Kendal Smith, Director of Policy and Legislative Affairs, Governor’s Office

Michael Pieciak, Commissioner, Department of Financial Regulation

Ethan LaTour, Deputy Commissioner, Department of Finance and Management