Dear Union Brothers and Sisters:

It has been touted in the press that Somerville unions overwhelmingly agreed to join the Group Insurance Commission. City officials have been credited with bargaining with the Public Employee Committee rather than forcing employees into the GIC under the restrictive conditions in the new law. While this makes nice headlines, it is inaccurate. The legislature and City officials paid lip service to the spirit of collective bargaining, but behind the scenes, ruthlessly manipulated the rules to strip unions of their collective bargaining rights. It happened in Somerville and can happen in your town, too. That’s why the Somerville Labor Coalition wants to set the record straight about what really happened in Somerville.

**Setting the Stage**
The Mayor began with scare tactics, preying upon retirees and increasing their healthcare premiums to 25%. Recently that unilateral change was ruled to be illegal for future retirees by the Massachusetts Labor Relations. Next, health insurance costs were projected at an 18% increase. In 2010, City officials adopted Section 19, forcing all unions and retirees to bargain healthcare insurance collectively. A Public Employee Committee comprised of all city unions and retirees was formed.

**Legislative Changes.**
In the summer of 2011, new legislation eased the way for municipalities to join the Group Insurance Commission. In August, MGL 23 was passed allowing municipalities to join the
GIC without collective bargaining if they could prove significant budget strain. In August, Governor Patrick reformed the regulations in Section 19, allowing cities to enter the GIC with only a simple majority vote from union representatives rather than the 70% weighted vote.

**Pick Your Poison**
Somerville unions knew the GIC was eminent. The issue was negotiating the best deal for its members and retirees. Under Section 23, the union’s premium percentages would remain the same, each union would preserve the right to bargain health care contracts, and the City would be required to return 25% of the savings (projected at 2.3 million) to the unions and retirees. If the unions entered the GIC under Section 19, the Public Employee Committee’s majority would negotiate premium increases with 51% of the PEC’s vote. Individual unions would lose the right to bargain any insurance change for 6 ½ years.

**Divide and Conquer**
Although the city voted to adopt the GIC under Section 23, the Mayor was never going to let this happen. Why? Because it preserved each union’s right to bargain healthcare separately and required the city to return 2.3 million dollars to the unions and retirees. The Mayor knew if he appealed to the (largest) Somerville Teacher’s Union, their vote would represent the majority of the Public Employee Committee needed to enter the GIC under Section 19, wipe away collective bargaining over health care contracts, keep the 2.3 million dollars and create a nice public relations victory. All he had to do was manipulate the 30-day window requiring a decision and then let the union representatives in the PEC fight it out internally. Sure enough, the representative of the Somerville Teacher’s Union led the negotiations and despite opposition from multiple unions, negotiated and ratified a deal with the city. The result? A few unions bargained valuable healthcare provisions from other union contracts. Hard earned indemnity and premium splits were collateral damage. And here’s the kicker, the Mayor can control the PEC again in 6 ½ years since he controls manpower. It’s a rigged game because he alone controls the rules.

**The Bottom Line - More Than You Bargained For**
The changes to Section 19B from 70% to a simple majority are a one-two punch to collective bargaining and union solidarity. The switch to the GIC will save millions for the city and employees in annual premiums, but visits to the doctor will become more costly. Under Section 19B, unions whose members face the most potential health problems - firefighters, police and DPW workers, have no control over their health care decisions for the next 6 ½ years. In fact, their hard earned health care percentages were bargained away by the 51% of the Public Employee Committee.
In Somerville, the legislature’s new health care collective bargaining laws allowed the administration to change the rules in the middle of the game, preventing municipal unions from having their voice heard and vote counted at the bargaining table. It’s not fair in sports and it’s not fair in your workplace.

Although the members of this coalition could not, in good conscience, sign the GIC section 19 agreement, we proudly endorse this letter to all of our Union brothers and sisters in hope that it will bring awareness to the unfair way our process proceeded and ended.

Sincerely,

Ed Halloran
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Somerville Patrolman’s Union

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