



Unions and Benefits

Gregg Thorsen, Benefits & Labor Expert

DFW ISCEBS
Thursday, April 11



CEBS Designation— Take Your Education to the Next Level



CEBS

Certified Employee Benefit Specialist® Program

www.cebs.org

CEBS® ACADEMIC PARTNER



Refer a Friend to CEBS!

- Let a colleague know about the CEBS program and the opportunities it presents! CEBS also offers a new Success Package for each course that is a 20% discount when you purchase the study guide, textbook, online study group and exam.



ISCEBS Membership

- Join or renew today!
- CEBS students and graduates can join
- Add membership to your local chapter!
- Join online at www.iscebs.org/join

Member Benefits

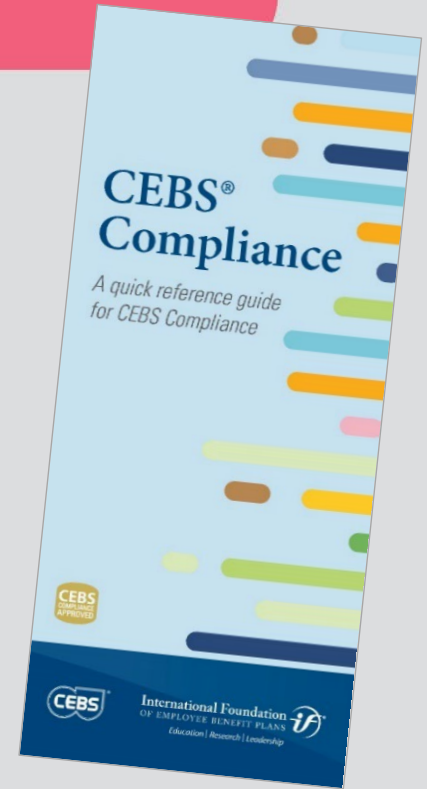
- Local chapters
- Unlimited webcasts
- Discussion forums
- Personalized research
- Membership directory
- *Benefits Quarterly* and *NewsBriefs*

Self-Report Your Credit

- This program qualifies for CEBS Compliance credit
- Be recognized for the professional education you complete to stay up-to-date
- 30 credits over two calendar years to be compliant
- Credits are self-reported



Scan to
self-report CEBS
compliance credit
from today's
session!



ISCEBS Gold Member

- Society members have the opportunity to attain ISCEBS Gold Membership—An exclusive level of recognition representing both your CEBS Compliant status and your affiliation with ISCEBS.

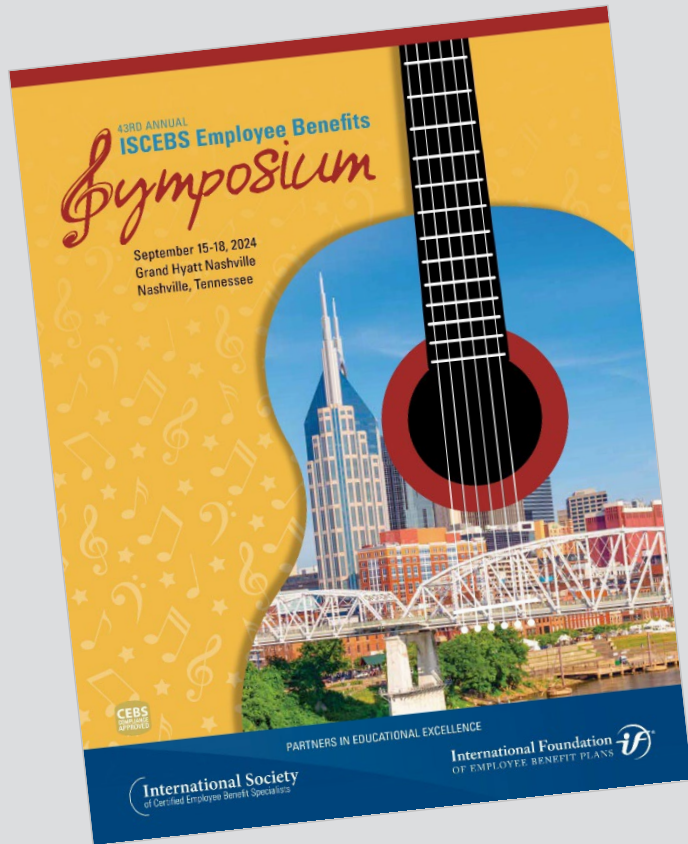


Are You Using Your Digital Badges?



Learn how to access and use your badges at
www.ifebp.org/digitalbadges

43rd Annual Symposium



- September 15-18, 2024
- Grand Hyatt Nashville
- Nashville, Tennessee

ISCEBS

Unions and Benefits



Gregg is recently retired as Managing Director, Total Rewards at Southwest Airlines after 23 years of service.

Before Southwest Airlines, Gregg was a partner in the Dallas law firm of Carrington, Coleman, Sloman, and Blumenthal, LLP.

Gregg Thorsen

gltpro2024@gmail.com

[linkedin.com/in/gregg-thorsen-89797a2a0/](https://www.linkedin.com/in/gregg-thorsen-89797a2a0/)

Note: the views expressed in this presentation are solely those of the presenter and do not reflect the views of Southwest Airlines, the International Society of Certified Employee Benefit Specialists, or any other person or entity.

The News

- Union Petitions Spike in 2022 and 2023, Ogletree Deakins NLRB Data Tracking Shows
 - February 16, 2024, Ogletree Deakins (<https://ogletree.com/insights-resources/blog-posts/union-petitions-spike-in-2022-and-2023-ogletree-deakins-nlrb-data-tracking-shows/>)
- Employers take notice: Union representation petitions are spiking in 2024
 - March 11, 2024, Employment Law Watch (<https://www.employmentlawwatch.com/2024/03/articles/employment-us/employers-take-notice-union-representation-petitions-are-spiking-in-2024/>)
- Wikipedia Sites
 - Starbucks unions (https://en.wikipedia.org/wiki/Starbucks_unions)
 - Amazon worker organization (https://en.wikipedia.org/wiki/Amazon_worker_organization)
 - Apple and unions (https://en.wikipedia.org/wiki/Apple_and_unions)
 - Trader Joe's unions (https://en.wikipedia.org/wiki/Trader_Joe%27s_unions)

Move Over Starbucks, Amazon, Apple, Trader Joe's



BASKETBALL

Dartmouth College

- Ivy League member situated in Hanover, New Hampshire
- Undergraduate enrollment of ~4,500 with annual cost before aid of \$84,000 and after aid of \$33,000

Dartmouth College Men's Basketball Team

- 15 players
- 2023-24 record of 6-21 and 0-14 on the road
- March 5, 2024
 - During the day, the team voted 13-2 to form a Union (Service Employees International Union, Local 560)
 - In the evening, the team broke a nine-game losing streak by beating Harvard 76-69

Union Comeback?



Past

- In 1983, 20.1% of wage and salary workers were represented by unions



Present

- In 2023, 10.0% of wage and salary workers were represented by unions
- Public sector – 32.5%; Private sector – 6.0%
- Largest state – Hawaii (24.1%); smallest state – South Carolina (2.3%)



Future

- According to a January 2024 poll by the Pew Research Center:
 - 54% believe the decline in unionized workers is bad for America
 - 69% of Democrats believe that
 - 40% of Republicans believe that (and especially Republicans <40)

Why Now?

- Covid-19 Pandemic
 - Safety (mask and vaccination requirements)
 - Job security, inflation, economic uncertainty
 - Remote work
 - Record profits at Amazon, Google, and other employers
- Political Environment
 - President Joe Biden has vowed to be the “most pro-Union president ever”
 - Revamped staffing at the National Labor Relations Board
 - National Labor Relations Board rulings (for example, the Cemex decision potentially requiring employers to bargain without an election; rules accelerating the election process; efforts to eliminate mandatory employer meetings)
- Contagious success
- Displacement due to technology (artificial intelligence)
- Social media

Why Vote For/Against?

For each voter, the question comes down to an individual “benefit vs. cost” analysis

For (Benefit)	Against (Cost)
<i>Bad Boss.</i> Unions have the power to compel bad bosses to listen and address issues.	<i>Dues.</i> Typically 1-2% of pay.
<i>Safety.</i> Securing worker safety is one of the core historical reasons for unions.*	<i>Permanence.</i> Unions can be decertified, but it is rare; practically speaking, unions are permanent.
<i>Job Security/Representation.</i> Scope provisions protect against outsourcing; union provides grievance representation, including terminations.	<i>Union Control.</i> Fear that union leaders will undertake undue risks or require unwanted compliance.
<i>Wages.</i> In 2023, Union wages were about 16% higher on average than non-union wages.**	<i>Fear of Job Loss/Plant Closure.</i> At times, closure can be an implied or inferred threat.
<i>Benefits.</i> Union workers tend toward lower premiums/deductibles/out-of-pocket maximums	<i>Bad Previous Experience.</i> Previous interpersonal conflict or previous job loss, for example.

*See, for example, “They are going to kill somebody’: Whistleblowers raise safety concerns at Elon Musk’s Boring Co.,” San Antonio Express-News, April 7, 2024 (<https://www.expressnews.com/business/article/texas-whistleblowers-sound-alarms-safety-musk-s-19384506.php>)

**“Union Members – 2023,” News Release Bureau of Labor Statistics, United States Department of Labor, January 23, 2024 (<https://www.bls.gov/news.release/pdf/union2.pdf>).

Union Benefit Negotiations – General Considerations

Relationships Matter

- Company negotiator (usually not a subject matter expert; interest is to close a deal)
- Union negotiator (usually not a subject matter expert; political motivations)
- You are the subject matter expert (and will have to deliver on what is agreed to!)

Three General Principles

- High level vs. specific
 - Union's interest is to lock down as many details as possible, potentially forcing the company to seek exceptions or changes in the future
- Avoid creating a grievance remedy (words matter – engage legal counsel)
 - Example: agree “to maintain a plan that provides [x, y, z]” vs. “to provide [x, y, z]”
- Retain power to amend the plan (even if it an amendment would contradict the collective bargaining agreement)
 - Example: ensure that the plan document can be modified or terminated at any time by the company

Union Benefit Negotiations – Healthcare Considerations

Value of Flexibility

- Healthcare is difficult – just look at the acronyms: ACA, ACO, ASO, COB, COBRA, DOL, EAP, EOB, ERISA, ESRD, FSA, GINA, HCI, HDHP, HIPAA, HMO, HRA, HSA, IRC, IRO, IRS, MHPA, PCP, PHI, POA, POS, PPO, QMCSO, SBC, SPD, UR, USERRA, VFC!
- Maintaining flexibility and independence to make plan design adjustments, implement new programs, and navigate the complex legal, business, and member service frameworks is essential.
- How? Focus the negotiation on the essentials elements without going into detailed specifics
 - Type of plans offered
 - Actuarial value (AV)
 - Cost share
 - Avoid agreements on premiums, deductibles, OOP maximums, networks, formularies, etc.

Words Matter

- Minimize discussions focused on cost
- Instead, focus on helping members be healthy and get well quickly when they are ill/injured. Healthy members are happy and they save money (and yes, the plan also saves money).

Union Benefit Negotiations – Retirement Consideration

Multiemployer Pension Plans - BEWARE

- Multiemployer Plans (often called Taft-Hartley plans) involve a single pension plan created through an agreement between two or more employers and a union.
- They are defined benefit pension plans that can appear very simple and attractive on the surface but that carry serious liability risks
- There are numerous defined contribution options that are simple and attractive but without the liability risks

Questions and Answers



Gregg Thorsen

gltpro2024@gmail.com

[linkedin.com/in/gregg-thorsen-89797a2a0/](https://www.linkedin.com/in/gregg-thorsen-89797a2a0/)

Don't Forget to Self-Report Your Credit

- Today's session qualifies for 1 Credit
- www.ifebp.org/myprofile
and select the orange box

Manage Your CEBS
Compliance Credits



Scan to
self-report CEBS
compliance credit
from today's
session!

ISCEBS

Join Us for Our Next Event!

- CE day is Thursday, May 9
 - Earn **7 TDI and CEBS CE**
 - 9am to 4:15pm, lunch included
 - Members \$100, Nonmember \$135
 - Watch your email for more next week!
- Networking Happy Hour in June!
- Visit our website: dfwiscebs.org
- Join online at www.iscebs.org/join



Scan to
self-report CEBS
compliance credit
from today's
session!

ISCEBS