



Subcommittee on Employee Relations

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Memorandum

DATE: March 2, 2023
TO: State and Local Government and Veterans Committee
FROM: Michelle Weber, Legislative Coordinating Commission
RE: Service Employees International Union MOU Summaries

This memo summarizes two Memorandums of Understanding (MOUs) between the State and the Service Employees International Union Healthcare Minnesota (SEIU). SEIU represents approximately 29,000 Direct Support Workers (also referred to as Individual Providers or Personal Care Assistants). The underlying FY 22-23 collective bargaining and supporting appropriations were ratified during the 2021 legislative session.

Memorandum regarding the implementation of temporary rate increase

The 2020 Legislature (Minnesota Laws 2020, 5th Spec. Sess., chapter 3 article 10, sec. 4) provided for a temporary rate increase for direct support services as one response to the COVID-19 pandemic. That legislation provided for a temporary reimbursement rate increase to provider agencies of 8.4%. The legislation required provider agencies to use 80% of the additional revenue from the temporary rate increase for increased wages, salaries and benefits for direct support professionals. However, the Public Employment Relations Board (PERB) ordered the parties to negotiate over the remaining 20% of additional revenue from the temporary rate increase. The parties engaged in negotiations as directed by the PERB and this Memorandum of Understanding reflects the parties' agreement.

Under the MOU, the parties agree that:

1. Contingent upon an appropriation of funds, the State will provide one-time funding of \$1,400,000 for COVID-19 stipends for Individual Providers who provided services between December 1, 2020, and February 7, 2021, and who attest to meeting several requirements regarding those services;
2. The stipends will be prorated based on the total number of hours of services provided, to a maximum of \$1,000; and
3. The Department of Human Services (DHS) will cooperate with the Department of Labor and Industry's review of complaints from Individual Providers.

A copy of this Memorandum of Understanding is available at:
https://www.ser.mn.gov/contracts/22-23/2020_Bonding_Bill_MOU_signed.pdf

Memorandum regarding implementation of federally mandated electronic visit verification

As part of the response to federally mandated 21st Century Cures Act, Public Law 114–255 and Minnesota Statute §256B.073, DHS is working towards implementation of electronic visit verification (“EVV”). SEIU desired training for Individual Providers on how to access and use the State-provided EVV system and compensation for use or purchase of equipment related to accessing EVV systems. This Memorandum of Understanding represents the parties’ agreement as follows:

1. Contingent upon an appropriation of funds, the State agrees to provide \$5,600,000 in one-time funding to provide stipends of \$200 to Individual Providers to offset potential costs in using individual devices to access EVV;
2. Individual Providers must submit stipend requests by May 31, 2025;
3. Stipends must be paid by June 30, 2025, or until these funds are no longer available, whichever is earlier; and
4. DHS must offer training sessions regarding EVV.

A copy of this Memorandum of Understanding is available at:
https://www.ser.mn.gov/contracts/22-23/Electronic_Visit_Verification_MOU_signed.pdf

Please feel free to contact me at michelle.weber@lcc.mn.gov if you have any questions.

STATE EMPLOYEE SALARY SETTLEMENTS

FY 22-23 ESTIMATED COSTS

LCC Subcommittee on Employee Relations
March 21, 2022

Bargaining Unit	Across the board increases (% increase)				BIENNIAL BASE (1)	BIENNIAL NEW MONEY (1)	% INCREASE (2)	% INCREASE BIENNIUM TO BIENNIUM (3)	\$ IMPACT ON NEXT BIENNIUM
	7/1/2021	1/1/2022	7/1/2022	1/1/2023					
O AFSCME, Council 5	2.50%		2.50%		\$ 2,084,072,266	\$ 92,044,883	4.42%	6.94%	\$ 144,634,615
O AFSCME, Unit 8, Correctional Officers	2.50%		2.50%		\$ 365,056,850	\$ 17,051,747	4.67%	7.39%	\$ 26,977,701
O AFSCME, Unit 25, Radio Communications Oper	2.50%		2.50%		\$ 11,243,196	\$ 497,646	4.43%	6.95%	\$ 781,402
O MN Association of Professional Employees	2.50%		2.50%		\$ 3,262,497,442	\$ 163,077,761	5.00%	7.97%	\$ 260,021,046
O Middle Management Association	2.50%		2.50%		\$ 798,864,730	\$ 37,760,125	4.73%	7.40%	\$ 59,115,990
MN Government Engineering Council (5)									
O Minnesota Nurses Association	2.50%		2.50%		\$ 220,765,520	\$ 10,661,060	4.83%	7.58%	\$ 16,734,026
MN Law Enforcement Association									
O State Residential Schools Education Assoc	2.50%		2.50%		\$ 35,776,108	\$ 1,413,975	3.95%	5.92%	\$ 2,117,946
A Service Employees International Union (6)	8.68%		5.90%			\$ 74,559,000			\$ 103,888,000
O State University Inter Faculty Organization			1.70%		\$ 645,017,833	\$ 17,106,620	2.65%	4.96%	\$ 31,992,885
O MN State Univ Assoc of Admin & Service Faculty	1.30%				\$ 144,989,599	\$ 4,180,646	2.88%	3.59%	\$ 5,205,127
Minnesota State College Faculty									
O Personnel Plan for MnSCU administrators					\$ 199,151,822	\$ 5,865,709	2.95%	4.08%	\$ 8,125,394
Personnel Plan for St Bd of Invest employees									
Office of Higher Education Plan	2.50%		2.50%		\$ 10,219,992	\$ 530,566	5.19%	7.99%	\$ 816,577
Managerial Plan	2.50%		2.50%		\$ 491,415,892	\$ 20,556,885	4.18%	6.07%	\$ 29,828,945
Commissioners Plan (4)	2.50%		2.50%		\$ 288,538,792	\$ 14,200,344	4.92%	7.60%	\$ 21,928,948
Office of Legislative Auditor									
MNsure Compensation Plan	2.50%		2.50%		\$ 5,127,084	\$ 189,506	3.70%	5.22%	\$ 267,634
TOTAL					\$ 8,562,737,126	\$ 459,696,473	5.37%	8.32%	\$ 712,436,236

The ">" indicates proposed contract or plan has not been acted on by the Subcommittee.
 The "O" indicates the contract or plan was provided interim approval by the Subcommittee.
 The "R" indicates the contract or plan was rejected by the Subcommittee.
 The "I" indicates a contract or plan that has been implemented absent Subcommittee action
 The "*" indicates the proposed contract or plan has not been ratified by the Legislature
 The "A" indicates the contract or plan has been ratified by the Legislature

- (1) Includes all funds, including higher education agencies. Includes across the board salary increases, steps, FICA, insurance & pension.
- (2) Percent of new money needed over base.
- (3) This percentage reflects the annualized cost of the increases granted during the biennium. This figure depicts all of the costs of the contract, including "tails."
- (4) Groups within plan follow lead of comparable bargaining units.
- (5) The arbitration award provided 3.5% across the board increases each year for engineers in the 3 highest classes
- (6) The amount listed is the total state funds; the changes in the contract are also funded through federal Medicaid dollars, not included in this table. The FY22 increase is effective 10/1/21. The percentages reflect the increase in minimum wages.
 The biennial new spending includes amounts negotiated in 3/21/22 MOUs for stipends for providers and for costs for training