Frequently Asked Questions
Market Adjustment MOU & Pension Deferral

Market Adjustments

What job titles are receiving a market adjustment?
The job title RN1 as well as a majority of titles the technical bargaining unit will be receiving market adjustments. If you are in the RN or Technical bargaining unit, please review the wage scales on page 3 and page 10 of the Market Adjustment MOU.

When will the market adjustments go into effect?
The pay increases went into effect yesterday, April 9th.

What is the rationale for the market adjustments?
Catholic Health is currently having significant challenges hiring Registered Nurses as well as a number of titles in the technical bargaining unit. We reviewed pay scales for Kaleida and ECMC as part of this process.

Why wasn't every title given a market adjustment?
Catholic Health would only agree to increase rates in job titles that were experiencing significant challenges in hiring. We pushed Catholic Health to put as much money on the scales to hire and retain employees.

Are there any other job titles that may receive an upgrade in the next few months?
We are looking at the following job titles for adjustments: Cook, Environmental Service Worker Lead Environmental Service Worker, Food Service Attendant, Sterile Processing Technician and Lead Sterile processing Technician.

Shift Differential

Why is there only an increase in shift differential for RNs?
The increase is being made to be able to compete with ECMC and Kaleida, who both made significant increases in RN Shift Differential in 2022.

When will the shift differential change go into effect?
This will take approximately 2 months to make programming adjustments.

Pension

What is a pension?

A pension is a workplace benefit plan that provides retirement income. A traditional pension (or "defined benefit plan") is designed to provide a pre-arranged level of income at retirement. That pre-arranged retirement income amount is usually calculated based on the retiree's length of service and an average or approximation of the retiree's income before retirement.

What does the "funded status" of a pension measure?

To fund the retirement income promised to employees under the pension plan, employers contribute money to a dedicated trust. Money in this trust is invested so that it grows over time. The proceeds of investments made in this trust can only be used to pay for the benefits earned by employees in the plan.

The "funded status" of the pension plan is a comparison of the value of the investments and money held by the trust (called "plan assets") compared to an estimate of all the pension benefits owed by the plan (called "obligations" or "liabilities").

Plan's Funded Status= Plan Assets/Benefit Owed

- If the pension's trust has assets that are estimated to be worth more than the total amount of benefits owed to employees, that pension is considered more than 100% funded. This can be referred to as "over-funded."
- If the pension's trust has assets that are estimated to be worth less than the total amount of benefits owed to employees, that pension is considered less than 100% funded. This can be referred to as "under-funded."
- If the pension's trust has assets that are estimated to be worth the exact same amount as the total benefits owed to employees, that pension is 100% funded.

Each year, an actuary reviews the value of benefits earned by participating employees over the last year and adds those to the accumulated estimate of total benefits owed. The actuary also reviews the amount of funds contributed to the plan that year by the employer and the performance of the investments in the trust. These components are then used to calculate an updated "funded status" for the plan each year.

What is a pension's "unfunded liability" or "unfunded benefit obligation"?

If a plan is less than 100% funded, it therefore has some amount of promised benefits to employees (also called "liabilities" or "benefit obligations") that it currently does not have enough assets to pay out when they are owed. This portion of the plan's liabilities or benefit obligations is therefore considered to be "unfunded."

Note that pension benefits are earned by employees far in advance of their actual retirement. Unfunded benefit obligations therefore do not necessarily pose any danger to the pension plan or its participants. Employers can make contributions to reduce a plan's unfunded obligations over many years while continuing to make full benefit payments to their retirees.

What does it mean that the Catholic Health pension is a "church plan"?

In 1997, the Catholic Diocese of Western New York requested and received a determination by the Internal Revenue Service (IRS) to consider the pension plan it operates a "Church Plan" under federal law. Church plans are not required to follow many of the rules under Federal law for private pension plan sponsors including rules governing funding, vesting, reporting and disclosure. In addition, church plans are not covered by benefit insurance under the Pension Benefit Guaranty Corporation (PGBC) and also do not make premiums payments to the PBGC to fund that insurance. Church plans can be subject to state rules and regulations governing pension benefits.

What is the current funding level of the Catholic Health Pension Plan ?

The most recent information provided to the Union shows the plan funded at 65%.

Will deferring the plan payments have any impact on my benefits?

No, the deferral of any plan payments will not have any impact on the benefit you will receive when you retire.