united transportation union

Burlington Northern & Santa Fe Railway General Committee of Adjustment GO-245



K.E. Trauernicht, 1st Vice Chairman J.A. Scott, 2nd Vice Chairman B.M. Drummond, 3rd Vice Chairman 8250 West 80th Avenue The Meadows Centre, Units 7&8 Arvada, Colorado 80005 Phone: (303) 420-1848 November 2, 2009

S.M. Waller, 4th Vice Chairman S.M. Waller, Secretary

Mr. John J. Fleps Vice President, Labor Relations BNSF Railway Company P.O. Box 961030 Fort Worth, TX 76161-0030

Certified: 7008 2810 0000 2479 8307

Notice Under Section 156 Of Railway Labor Act

Dear Sir,

In accordance with provisions of Section 6 of the Railway Labor Act, as amended, and, if applicable, with the provisions of the existing agreements between the BNSF Railway Company and the United Transportation Union, and on behalf of any and all employees represented by this organization for which the signatory hereto is authorized to act, this is notice of an intended change in agreements affecting rates of pay, rules, or working conditions, to the extent indicated in Attachment "A", and to revise and supplement existing Agreements pertaining to hospital, surgical, medical, and dental benefits, and group life insurance as provided under the Health and Welfare Plans applicable to employees represented by UTU (NRC/UTU Plan and National H&W Plan (GA-23000), Early Retirement Plan (GA-46000), National Dental Plan benefits as provided under Aetna's contract policy (GP-12000), and the National Vision Plan provided under the VSP contract) to the extent indicated in Attachment "B", attached hereto and made part hereof. Full rights to amendment and/or supplementation in any form at any time are retained.

This notice is being served by other General Committees on other railroads on this date, and in accordance with the understanding between the United Transportation Union and the National Carrier's Conference Committee, this Committee is agreeable that the initial conference(s) on the property be waived and that our respective national negotiating committees be authorized to represent the parties in the further handling of this matter.

In the event you are not agreeable to waiving conference on the property, please suggest a time and place for the beginning of conferences to discuss this notice as provided in the Railway Labor Act, as amended.

Yours Very Truly,

R.S. Knutson

General Chairman, UTU GO-245

CIRCLE CONTRACTS COVERED BY THIS NOTICE

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attachments

cc: M.B. Futhey, Jr. - UTU International President

UTU ATTACHMENT "A"

November 2, 2009

Except as otherwise provided herein, effective January 1, 2010, the existing rules, agreements, interpretations or practices, however established, shall be amended to provide as follows:

ITEM 1 – SERVICE SCALE

Establish or modify existing agreement provisions to:

- (a) Completely and permanently eliminate service scale rates where such service scale exists.
- (b) Completely and permanently eliminate the two-tiered pay system caused by the October 31, 1985 National Agreement and like agreements on properties not party thereto.

ITEM 2 - WAGES

- (a) Provide a series of General Wage Increases to become effective January 1, 2010, and every six (6) months thereafter, which shall be applied to all components, including but not limited to, arbitraries, differentials, miscellaneous rates, special allowances, daily, weekly and monthly guarantees based upon hourly or daily rates of pay, including those expressed in terms of miles, and overmiles.
- (b) Require that retroactive wage adjustments will be made by separate check or properly identified if included in regular check.
- (c) An itemized statement illustrating retroactive wage adjustment calculations will be provided to each individual affected employee.
- (d) Provide for Cost-of-Living Adjustments, and revise existing Cost-of-Living Allowance language, so that the so-called "Harris COLA" will be maintained.

ITEM 3 – FATIGUE ABATEMENT

- (a) For all employees without established starting times the Carrier will develop either a calling window structure or provide no less than a ten (10) hour call.
- (b) Establish a process to resolve fatigue issues relative to cross-craft utilization, inaccurate lineups, and manipulation of pool crew boards by the Carrier (e.g. "paper deadheading" and "dropping turns", etc.).
- (c) Increase period for exercising displacement right as found in Article XII, Section 1 (a) of Arbitration Board No. 559, Appendix "D", effective May 8, 1996, to 72 hours from 48 hours, except where a longer period of time is now in effect.
- (d) Establish the right of UTU-represented employees to provide for rest opportunities and the ability to mark off for rest to deal with fatigue-related problems and for family needs and emergencies related to qualify of life but not qualified for the Family Medical Leave Act.

ITEM 4 – EMPLOYEE CERTIFICATION

Establish or modify existing agreement provisions to:

- (a) Provide additional daily compensation for service requiring certification.
- (b) Provide payment for any required periodic qualification or re-certification exams including, but not limited to, written examinations, re-qualification rides, physicals, hearing tests, vision acuity tests, and any other examinations required by the Carrier or statute.

ITEM 5 – TRAINING

- (a) For employees training to become an engineer, amend the Fireman Training Agreement to provide for the same basis of pay applicable to the conductor/foreman on the assignment on which they are training.
- (b) Any required familiarization, enhanced training, qualification or re-qualification trips will be compensated as if the employee was working as the conductor/foreman on the assignment. On properties where the UTU represents the craft of engineer, the engineer will be paid at engineer rate of pay.
- (c) Active employees on any crew utilized by the Carrier to provide training, instruction, familiarization trips or mentoring in connection with their regular or extra board assignment shall be provided payment in the amount of two (2) hours at the applicable rate in addition to all earnings of the assignment.
- (d) On properties where UTU holds the collective bargaining agreement for engineers, the engineer on any crew utilized by the Carrier to provide training, instruction, familiarization trips or mentoring in connection with their regular or extra board assignment shall be provided payment in the amount of two (2) hours at the applicable rate in addition to all earnings of the assignment.
- (e) Establish a rule to allow UTU representatives to address "new hire" training classes to explain the Collective Bargaining Agreement on those properties where such a rule does not exist.
- (f) Recognition of UTU's authority over any training, qualification or familiarization associated with any UTU represented craft not performed by management personnel.
- (g) Allow three (3) attempts for individuals to pass the engine service examination(s).

ITEM 6 – EMPLOYMENT/FURLOUGH

Establish or modify existing agreement provisions to:

- (a) Eliminate Article XII of the 1985 UTU National Agreement in its entirety.
- (b) Establish a rule requiring all railroads signatory to the National Agreement to give first employment consideration to qualified conductors who are furloughed from other signatory railroads. (If a man is furloughed, he would be able to put his name on a list to be given first consideration for a job on other railroads.)
- (c) An employee who is furloughed and called back to work will be guaranteed a minimum of 60 days of work and pay.

- (d) Train service employees will be the first source of supply for Yardmaster vacancies. Such vacancies will be filled by the senior UTU represented employee making application solely on a voluntary basis.
- (e) Furlough protection.

ITEM 7 - SHIFT AND WEEKEND DIFFERENTIALS

- (a) Provide additional compensation for employees performing service or deadheading in all classes of road or yard service between the hours of 6:00 p.m. and 6:00 a.m., or on weekends. For the purpose of this rule, "weekends" is identified as beginning at 12:01 a.m. on Friday, through and including 11:59 p.m. on Sunday.
- (b) Such pay differentials shall be subject to all future wage increases, including cost of living adjustments.

ITEM 8 - VACATIONS

Establish or modify existing Vacation Agreement provisions to:

- (a) Increase the number of vacation days that can be taken in single day increments.
- (b) Reduce the number of years necessary to qualify for a vacation of 2, 3, 4, or 5 weeks.
- (c) Provide for a vacation of 6 weeks for 25 years service.
- (d) Allow up to two (2) weeks of floating/non-scheduled vacation per year.
- (e) Permit employees with more than one week of vacation to split week-long vacation periods up to the number of weeks vacation to which they are entitled.
- (f) Reduce the number of previous year qualifying days for annual vacation qualification and the number of accumulated qualifying days for vacations.
- (g) Increase the number of days that will be credited towards vacation qualifications for days on an extra list but performing no service, and days absent from and unable to perform service because of injury received on duty.
- (h) Allow credit towards vacation qualifications for days absent from and unable to perform service because of illness or injury received off duty.
- (i) Allow credit towards vacation qualifications for each day required to take rest mandated by the Rail Safety Improvement Act of 2008.
- (j) Apply pay for time lost in a discipline case in the calculation of vacation qualification, and compensation, just as if such pay had been received for actual service performed during such period of lost time.
- (k) Provide that employees who do not accrue sufficient previous year qualifying days for full vacation entitlement, shall have vacation entitlement pro-rated based on actual qualifying days accrued in the previous year.

(l) Recognize that compensated service days of employees transferring to train and engine service crafts from non-train and engine service crafts will be used in determining previous year qualifying days and accumulated qualifying days.

ITEM 9 – OVERTIME

Establish or modify existing agreement provisions to:

- (a) Provide for compensation at the overtime rate after 8 hours on duty on assignments with a mileage component, regardless of miles run and without reduction in pay for all miles run.
- (b) Provide for overtime in regular assigned service for shifts in excess of five (5) days per week where rules do not currently provide for such overtime payment.
- (c) Provide for overtime for service performed on assigned rest days where rules do not currently provide for such overtime payment.
- (d) Include all service in any operating craft for overtime qualifying purposes.
- (e) Where existing overtime rules provide for payment in less than eight (8) hours, such existing rules will remain undisturbed.

ITEM 10 - EMPLOYEE PROTECTION

Establish or modify existing agreement provisions to:

- (a) Amend Article VII, Section 2(c) of the Award of Arbitration Board No. 559 dated May 8, 1996 to provide for a relocation allowance of \$100,000.
- (b) Allow employees to have reimbursement options so as to reduce tax burdens on such payment(s).
- (c) Provide adequate employee earnings protection for all such transactions in which such protective conditions are not currently provided.
- (d) If a carrier establishes or leases work to a subsidiary that is contiguous with or was contiguous with that carrier, the work will be performed by the appropriate UTU Committee(s) of jurisdiction.

ITEM 11 - MEAL PERIODS/MEAL ALLOWANCES/H-A-F-H-T

- (a) Allow \$20.00 after being held 4 or more hours at other than the designated home terminal; with an additional \$10.00 after being held an additional 20 hours; and an additional \$10.00 for every 8 hour period or portion thereafter. Meal allowances will be subject to all general wage and cost-of-living increases.
- (b) Employee to remain on pay until the time they receive a room at the away-from-home terminal lodging facility.
- (c) Provide that Held-Away-From-Home-Terminal pay will begin at the expiration of required legal rest, and will be paid continuously until the train departs the terminal, or if deadheaded, until the conveyance by which deadheaded departs the terminal.

- (d) Yard lunch period time to be increased from 20 minutes to 40 minutes with no reduction in pay, and the lunch period must begin after 4 ½ hours and be completed before 6 hours. If such meal period is not granted as outlined herein, the employee will be allowed an additional day at the rate of pay applicable to the assignment.
- (e) Establish a process to address issues involving lodging and meal facilities.

ITEM 12 – REMOTE CONTROL

Establish or modify existing agreement provisions to:

(a) Increase RCO pay for assignments from 46 minutes to 2 hours for assignments bulletined as RCO.

ITEM 13 - BASIC DAY

(a) Establish 6 hour work day as the basis for "basic day" for both road and yard service with no reduction in current basic day pay.

ITEM 14 – 401K PLAN

Establish or modify existing 401K Agreement provisions to:

(a) Provide for the establishment of an employer contributing 401K Plan. Employer contributions under this agreement shall be in addition to any employer contributions under existing agreements on a particular Carrier, subject to applicable legal limitations.

ITEM 15 - HOLIDAYS

Establish or modify existing agreement provisions to:

- (a) Increase the number of paid holidays, including, but not limited to, Martin Luther King's birthday and Veteran's Day.
- (b) Time and one-half for employees who are not currently covered under the National Holiday Rule for working on a holiday.

ITEM 16 – SICK LEAVE

(a) Establish paid sick leave for all train and engine service employees and establish an employer funded Short Term/Long Term Disability Insurance Plan. Compensation benefits under this rule will be subject to future general wage and cost of living adjustment increases.

ITEM 17 – TRAUMA LEAVE

Establish or modify existing agreement provisions to:

(a) Provide for compensated trauma leave and counseling, if requested.

ITEM 18 – OFF-TRACK VEHCILE ACCIDENT BENEFITS

Establish or modify existing agreement provisions to:

- (a) Improve the off-track vehicle benefits to provide for full wage loss.
- (b) Provide adequate uninsured and underinsured motorist/driver protection.

(c) Establish minimum safety standards for all roadway transport vehicles used by employees in any way in connection with the Carrier's service.

ITEM 19 – BEREAVEMENT LEAVE

Establish or modify existing agreement provisions to:

(a) Provide improvements in compensation, number of allowable days off, and the persons for whom such leave and compensation will be allowed to include, but not be limited to, grandparents and spouse's grandparents and grandchildren. Also, the window for taking such bereavement leave shall be opened up to ten (10) days.

ITEM 20 – LOCOMOTIVE STANDARDS

Establish or modify existing agreement provisions to:

- (a) Provide for uniform minimum locomotive cab standards including, but not limited to, climate control, cleanliness, seating and cab equipment, including appropriate facilities to accommodate safe and efficient operations.
- (b) Require Carriers to provide air ride or other suitable shock-absorbing seats on all locomotives.

ITEM 21 – JURY DUTY

Establish or modify existing agreement provisions to:

(a) Provide that employees will be made whole for lost earnings for all time lost as a result of being called, or for being subject to call, for jury service.

ITEM 22 - LODGING

Establish or modify existing agreement provisions to allow:

- (a) Carrier-provided lodging (including meal allowances) for employees forced to a permanent vacancy more than 30 miles from their home terminal.
- (b) "Reverse lodging" to employees, where applicable.

ITEM 23 - DEADHEADING

Establish or modify existing agreement provisions to:

(a) Require Carrier to deadhead crews held at the AFHT to their home terminal after expiration of sixteen (16) hours.

NOTE – All reference to train and engine service employees herein also includes yardmasters.

YARDMASTER ISSUES (in addition to those listed above)

ITEM 24 – YARDMASTER PROTECTION

Establish or modify existing agreement provisions to require:

- (a) Yardmaster work cannot be transferred, consolidated, combined or centralized to any location outside the terminal regardless of seniority districts unless a demonstrative decline in volumes of cars in/out and a reduction of crews supervised to one (1) crew. When yardmaster work is transferred outside of the location, it will be done in accordance with the provision of New York Dock. An incumbent on a position transferred and those that may fall out at the bottom will be automatically certified as adversely affected.
- (b) Yardmasters will instruct and supervise all Train and Engine service crews regardless of Carrier nomenclature or class of service while they occupy other than main line trackage.

ITEM 25 – EXTRA BOARDS

(a) Establish a formula to determine the number of employees assigned to the extra board, based on a ratio of extra positions to regular positions for yardmasters.

ITEM 26 – YARDMASTER VACATIONS

Establish or modify existing agreement provisions to:

- (a) Apply 1/52 pay provisions as in the April 29, 1949 National Vacation Agreement, as amended, for yardmasters and non-train and engine service employees.
- (b) Recognize that compensated service days of employees transferring to yardmaster service from all non-yardmaster crafts will be used in determining previous year qualifying days and accumulated qualifying days.

<u>ITEM 27 – YARDMASTER PERSONAL LEAVE DAYS</u>

(a) Increase personal leave days for yardmasters.

ITEM 28 – MEAL PERIOD/MEAL ALLOWANCES

(a) Establish a rule providing that yardmasters will be allowed a meal period after the expiration 4 ½ hours and completed before the expiration of 6 hours on duty. If such meal period is not completed before the expiration of 6 hours, yardmasters will be allowed an additional day at the rate of pay applicable to the assignment.

ITEM 29 – DISPLACEMENTS

(a) Establish a rule to provide for periodic opportunity to exercise displacement rights.

ITEM 30 – YARDMASTER JOB ABOLISHMENTS

Establish or modify existing agreement provisions to:

- (a) Require a time study prior to abolishment of yardmaster position(s).
- (b) Yardmaster work will not accrue to any other agreement or non-agreement personnel.

ITEM 31 – TRAINING ALLOWANCE

- (a) Establish a rule providing for minimum compensation when employees are training as yardmasters.
- (b) Establish a rule providing for payment of one hour at the rate of pay applicable to the assignment for yardmasters required to supervise employees training as yardmasters.

ITEM 32 – SICK LEAVE

- (a) Amend the Yardmaster Supplemental Sickness Plan to provide benefit payments beginning the first day of sickness.
- (b) Modify Yardmaster Supplemental Sickness Plan to allow yardmasters who are on a military or government pension to be entitled to full yardmaster sickness benefits when off due to ill or sickness.
- (c) Modify Yardmaster Supplemental Sickness Plan Maximum Monthly Amount to \$4000.

ITEM 33 – LIFE INSURANCE

(a) Enhance the benefits provided in the Yardmasters Supplemental Life Insurance Policy.

ITEM 34 – REMOTE CONTROL

(a) Establish a rule to provide for additional compensation when working with remote control crews.

Savings Clause – The above Notices, or any of them, or any part of them, shall not apply on any property where they are already in effect, or where more beneficial provisions are already in effect.

Attachment "B" HEALTH & WELFARE

November 2, 2009

The NRC/UTU Health and Welfare Plan (690100) and The Railroad Employees National Health and Welfare Plan (GA-23000)

Eligibility -

- (1) Provide extended benefit coverage to eligible dependents for one full calendar year following the death of a covered employee.
- (2) Provide extended coverage to furloughed employees for twelve (12) months following the month in which such employees last rendered compensated service or received vacation pay, provided the employer has transmitted at least three (3) monthly payments to the Plan on behalf of such employees prior to furlough. During such 12-month period, the furloughed employee shall be reported under "active" employee status.
- (3) Provide full Plan coverage to an employee who is suspended or dismissed from service, and to his eligible dependents, until final disposition of the matter under the *Railway Labor Act*. Until such final disposition, the employee shall be reported under "active" employee status.
- (4) Provide full Plan coverage to an employee who becomes disabled, and his dependents, until such time as the employee and/or spouse become eligible for Medicare and child dependents reach age 19 (age 25 if full-time student).

- (5) Eliminate the seven (7) calendar days per month eligibility requirement (the so-called "7-day rule") for benefit coverage under the health and welfare, dental and vision plans.
- (6) Dependents of employees on active military status will be provided full coverage for the length of a standard tour of duty plus 6 months.
- (7) Extend full coverage for college students under age 25 for six months following their graduation date.
- (8) Provide full Plan coverage to opposite and same sex domestic partners, including such domestic partners not residing in common law states.
- (9) Extend full coverage to step-grandchildren residing with an employee; and any other children placed with the employee by court order.

Autism Spectrum Disorders -

- (1) The Plan shall provide coverage for the diagnosis of autism spectrum disorders and for the treatment of autism spectrum disorders to the extent that the assessment, diagnosis and treatment of autism spectrum disorders are not already covered by the Plan.
- (2) Treatment for autism spectrum disorders shall include, but is not limited to, the care prescribed, provided, or ordered for an individual diagnosed with an autism spectrum disorder by (a) a physician licensed to practice medicine or (b) a certified, registered, or licensed health care professional with expertise in treating effects of

autism spectrum disorders. Such coverage shall include but is not limited to: Applied Behavior Analysis Therapy, Speech Therapy, Social Skills Therapy, Occupational Therapy, and Physical Therapy, Psychological, Psychiatric, and Pharmaceutical Care, and Diagnosis and Assessments.

(3) Coverage for autism shall not be subject to any maximum benefits, nor subject to any limits on the number of visits to a service provider.

Prescription Drug Benefit -

- (1) Prescription drug co-pays shall be as follows:
 - •Retail: generic no co-pay; brand name \$5.00
 - •Mail Order: generic no co-pay; brand name \$10.00.

Coordination of Benefits -

(1) Increase Coordination of Benefits to allow reimbursement up to a maximum of 100% of allowable charges.

Lifetime Maximum -

(1) Increase lifetime maximum under CHCB and MMCP out-ofnetwork to unlimited.

Reasonable and Customary Determinations -

(1) Increase the threshold for R&C determinations to the 95th percentile of data selected by the Plan.

Hearing Benefits -

- (1) Provide an annual hearing benefit of \$4,000 for each covered person.
- (2) In addition to the \$4,000 benefit described in (1) above, provide hearing tests as a covered benefit when medically necessary to diagnose or treat illnesses other than hearing loss.

Birth Control/Reversal -

(1) Provide coverage under the plan for voluntary sterilization and/or reversal.

Employee Contributions -

(1) Eliminate any and all reference to required employee contributions as referred to in current National Agreement.

Employee Opt-Outs -

(1) Increase payments to employees who opt-out of Plan coverage from \$100 per month to \$250 per month.

Mobile Facilities -

(1) Amend the current Plan definition of a facility to include a mobile facility used by licensed physicians or other qualified medical personnel to deliver services to employees and their dependents billed under covered codes as directed by the American Medical Association or other governing bodies.

Dependent Pregnancy -

(1) Provide full coverage for pregnancies of female dependent children.

(2) Provide full coverage for new born children of female dependent children through age two.

Nutritional Supplements -

(1) Provide coverage for medically necessary nutritional supplements under the medical plan.

Speech Therapy -

(1) Provide services to restore or improve speech for employees and all eligible dependents without regard to age.

Hospice Benefits -

(1) Increase the hospice benefits to reasonable and customary charges for each course of care.

COBRA -

(1) Provide employees unlimited COBRA eligibility when necessary to bridge a gap between GA-23000 and GA-46000.

Repatriation Insurance -

(1) Provide medical evacuation and repatriation insurance to cover 100% of the cost for the transportation or a participant and/or dependent(s) via air or ground ambulance from any location more than 100 miles from their home or from a foreign country to their home location or a medical facility within 30 miles thereof. Such coverage shall include bed-to-bed service; the cost of a medical escort; travel costs for dependent spouse and/or children; repatriation of mortal remains, including all transportation, logistical

and legal arrangements in connection therewith; transportation of baggage and/or belongings back to the home of the participant/dependent; legal services arising in connection with medical situations.

Health Risk Assessment Incentive -

(1) Establish an incentive payment of \$100 for the completion of each employee Health Risk Assessment by an employee or dependent aged 18 or over.

Managed Medical Care Program (MMCP)-

- (1) Reduce all co-payments under MMCP to \$5.00 per visit including emergency room.
- (2) Reduce all out-of-network penalties to 10%.
- (3) Reduce annual out-of-network, out-of-pocket maximums to \$500/individual and \$1,000/family.
- (4) Reduce the out-of-network deductibles to \$100/individual and \$300/family.
- (5) Eliminate out-of-network lifetime maximum benefit.
- (6) Provide out-of-network coverage for:
 - Immunizations and well-person physical benefits without annual caps to include annual routine physical exams, (including diagnostic testing and immunizations); well-woman visits (including breast examination and/or mammogram, pelvic examination and pap smear); child preventive care given in connection with routine pediatric care, (including immunizations for children as recommended by CDC).
 - Annual prostate cancer screening at no cost to the

participant.

- Annual influenza vaccinations at no cost to the participant.
- Sigmoidoscopy or colonoscopy for participants over 40 years of age at no cost to the participant.
- Other screening tests as recommended by the United States Preventive Disease Task Force at no cost to the participant.
- (7) Eliminate defined awarded markets and open all markets to allow choice of all three providers, Aetna, Highmark and UnitedHealthcare.
- (8) Cap the 20% non-notification penalty under the Care Coordination/Medical Management Program at an annual out-of-pocket maximum of \$1,000.
- (9) Provide for an annual out-of-pocket maximum of \$500 for chiropractic and physical therapy services.
- (10) If a participant's primary care physician, treating specialist or other provider, or preferred hospital or facility, terminates network participation with the insurance company providing service to the participant, allow the participant to elect coverage under one of the other insurance carrier(s) in that market anytime during the year.

Comprehensive Health Care Benefit (CHCB)-

(1) Provide uniform application of immunizations and well-person physical benefits provided under MMCP to CHCB without annual caps to include annual routine physical exams, (including diagnostic testing and immunizations); well-woman visits (including breast

examination and/or mammogram, pelvic examination and pap smear); child preventive care given in connection with routine pediatric care, (including immunizations for children as recommended by CDC).

- (2) Provide 90/10 co-insurance under the CHCB plan.
- (3) Reduce the annual deductible to \$100/individual and \$300 family.
- (4) Provide benefits comparable to MMCP for employees who do not live in MMCP network areas.
- (5) Reduce annual out-of-pocket maximums to \$500/individual and \$1,000/ family.
- (6) Provide annual prostate cancer screening at no cost to the participant.
- (7) Provide annual influenza vaccinations at no cost to the participant.
- (8) Provide sigmoidoscopy or colonoscopy for participants over 40 years of age at no cost to the participant.
- (9) Provide other screening tests as recommended by the United States

 Preventative Disease Task Force at no cost to the participant.
- (10) Cap the 20% non-notification penalty under the Care Coordination/Medical Management Program at an annual out-of-pocket maximum of \$1,000.
- (11) Provide for an annual out-of-pocket maximum of \$500 for chiropractic and physical therapy services.

Managed Mental Health and Substance Abuse Benefit (MHSA) -

- (1) Reduce all co-payments under MHSA to \$5.00 per visit including emergency room.
- (2) Reduce all out-of-network penalties to 10%.
- (3) Amend the current requirement that Out-of-Network outpatient services be administered by a licensed psychologist to allow that such care may be administered by Masters level clinicians.
- (4) Eliminate lifetime maximum benefit for Mental Health and Substance Abuse services.
- (5) Cap the 50% non-notification penalty at an annual out-of-pocket maximum of \$1,000.

Life/AD&D Insurance -

- (1) Increase Active Employee Life Insurance to \$50,000.00.
- (2) Increase Retired Employee Life Insurance to \$10,000.00.
- (3) AD&D increase coverage to the following:

TABLE OF COVERED LOSSES AND BENEFIT AMOUNTS

COVERED LOSSES	BENEFIT AMOUNTS
Life	\$30,000
A hand *	\$8,000
A foot *	\$8,000
Sight of an eye	\$8,000

Loss of more than one of the above

in any one accident

\$16,000

Paralyzation

\$25,000

Loss of sight of an eye means that the eye is entirely blind and that no sight can be restored in that eye.

Loss of a hand means that all of the hand is cut-off at/or above the wrist.

Loss of a foot means that all of the foot is cut-off at/or above the ankle.

*Loss of a hand or foot shall also include the loss of use of a hand or foot even if the limb is still intact.

Paralyzation means the loss of use of the extremities of the body as a result of an accident, such as, but not limited to paraplegia, quadriplegia, or hemiplegia occurring from a traumatic brain injury.

Not more than \$30,000 will be paid for all covered losses caused by all injuries which are sustained in one accident.

Railroad Employees National Dental Plan (GP12000-A)

Eligibility -

- (1) Provide full Plan benefits to new employees and eligible dependents on the first day of the month following the month in which such employees render compensated service.
- (2) Provide full Plan coverage to an employee and eligible dependent who is suspended or dismissed from service until final disposition under the *Railway Labor Act*.

(3) Extend dental coverage for retirees and their eligible dependents until the employee reaches age 65.

Benefits -

- (1) Eliminate the annual deductible.
- (2) Increase the annual maximum to \$15,000.00.
- (3) Increase Type B coverage to 100%.
- (4) Increase Type C coverage to 75%.
- (5) Increase orthodontia benefit to 90% with a maximum of \$8,000.00.
- (6) Provide orthodontia coverage to all employees and covered dependents regardless of age.
- (7) Eliminate the alternate treatment provisions of the Plan.

Railroad Employees National Vision Plan

Network -

(1) Provide full Plan benefits to new employees and eligible dependents on the first day of the month following the month in which such employees render compensated service.

In-Network Benefits -

- (1) Increase the frame allowance to \$400.
- (2) Provide full coverage for the following options:

Scratch Coating

UV Protection

Anti-Reflective Coating

Photochromic Lenses

Progressive Lenses

(3) Increase allowance for contact lenses to \$400 annually.

- (4) Add laser surgery benefit. Provide full coverage for laser surgery to correct vision in one or both eyes.
- (5) Eliminate lens exclusions for oversized lenses.

Hospital Associations -

- (1) Hospital Association benefits will continue to be set by the individual Hospital Association.
- (2) Enable Hospital Associations to increase member dues at a rate equal to the increase in cost-sharing payments, without increasing the total cost-sharing amount paid by Hospital Association members.
- Association dues offsets will be increased by the same percentage that Plan costs increase for a given year. Thereafter, adjustments, if any, shall be made annually on January 1st of each subsequent year.
- (4) The so-called "pick-up and/or runout liability fees" for any employees (or dependents, if applicable) transferring from Hospital Association Railroads to Non-Hospital Association Railroads and/or transferred from Non-Hospital Association Railroad to hospital Association Railroads will be borne by the Railroads.
- (5) Disabled or Retired Hospital Association members whose coverage is disrupted for any reason other than non-payment of Association dues will be allowed to enroll in the Railroad Employees National Early Retirement Major Medical Benefit Plan (GA-46000) without

- penalty provided they would have met the eligibility requirements at the time they retired.
- (6) Treat Dependent Spouses covered as Employees under a Hospital Association Plan the same as two <u>married</u> railroad employees covered under the Plan who are not covered under a Hospital Association Plan.
- (7) Provide Hospital Association dependents the choice to select their coverage from a Hospital Association or from one of the national plan carriers.

COST CONTAINMENT MEASURES

- (1) Waive copays when an employee is referred by the Nurse Helpline to seek treatment from the emergency room.
- (2) Increase the day's supply of medication at retail pharmacies to 30 days and impose a limitation of two (2) refills thereafter.

NATIONAL HEALTH LEGISLATION

In the event that national health legislation should be enacted, benefits provided under The NRC/UTU Health and Welfare Plan, The Railroad Employees National Health and Welfare Plan, The Railroad Employees National Early Retirement Major Medical Benefit Plan, The Railroad Employees National Dental Plan and The Railroad Employees National Vision Plan with respect to a type of expense which is a covered expense under such legislation will be integrated so as to avoid duplication, and the parties will agree upon the disposition of any resulting savings.

GENERAL

- (1) The Governing Committee of The NRC/UTU Health and Welfare Plan and the Joint Plan Committee of The Railroad Employees National Health and Welfare Plan, respectively, shall be joint policyholders and will jointly participate in the selection of the insurance company or companies or other administrators required to administer all benefit Plans covering employees subject to this Agreement, shall jointly determine the plan benefits needed to meet the changing needs of the employees and otherwise jointly administer all of the Plans' activities. The Joint Plan Committee shall oversee and administer the Railroad Employees National Health and Welfare Plan, The Railroad Employees National Early Retirement Major Medical Benefit Plan, The Railroad Employees National Dental Plan, The Railroad Employees National Vision Care Plan, the various plans established to provide supplemental sickness benefits to covered employees and any and all plans which may hereafter be developed or introduced to provide health and welfare benefits to active and retired employees and their eligible dependents.
- (2) Eliminate the exclusion of benefits for treatment by a family member who is otherwise a qualified provider, from any and all plans containing such exclusion.