

Transportation Communications Union/IAM

International Association of Machinists and Aerospace Workers



Robert A. Scardelletti
National President



Subject: National Negotiations
November 12, 2019

VIA OVERNIGHT MAIL

Mr. Brendan A. Branon, Chairman
National Railway Labor Conference
251-18th Street, South
Suite 750
Arlington, VA 22202

Dear Mr. Branon,

Please consider this letter as the usual and customary notice served in accordance with Section 6 of the Railway Labor Act and existing Clerical Agreements of our desire to revise and supplement existing agreements in the manner set forth in the Attachments hereto.

This Notice is being served on the National Carriers' Conference Committee (NCCC) as the authorized bargaining representative of the rail carriers that were listed on Attachment A of the NCCC's November 1, 2019 (revised November 7, 2019) Section Six Notice served on TCU, and will serve as our Section Six Notice on each carrier listed therein as if filed on each individual carrier.

Attachment "A" to this notice concerns wage and rule issues. Attachment "B" concerns health and welfare issues. We reserve the right to serve additional notices to be handled concurrently with this notice.

It is further proposed that the desired changes be made effective as of January 1, 2020 unless otherwise specifically noted in said Attachments.

We agree that, for convenience and expedition, initial conferences be waived on your notice and this and any notice we serve. I will be contacting you shortly to schedule a date and time to formally meet.

Sincerely,

Robert A. Scardelletti
National President



Attachments

cc: Executive Council

 Clerical National Representatives

 Clerical Assistant National Representatives

 Local Chairpersons with Properties in National Handling

**CARRIERS REPRESENTED BY NATIONAL CARRIERS' CONFERENCE
COMMITTEE WITH RESPECT TO
TRANSPORTATION - COMMUNICATIONS UNION**

Alton & Southern Railway Company - 3
The Belt Railway Company of Chicago
Bessemer and Lake Erie Railroad Company d.b.a. C.N.
BNSF Railway Company - 1, 3
Brownsville and Matamoros Bridge Company
Central California Traction Company
Consolidated Rail Corporation
CSX Transportation, Inc.
 The Chesapeake and Ohio Railway Company (former)
 CSXT Northern (former Conrail)
 Louisville and Nashville Railroad Company (former)
 Seaboard Coast Line Railroad Company (former)
 Carrollton Railroad
Grand Trunk Western Railroad Company d.b.a. C.N. – 3
Illinois Central Railroad Company and Chicago, Central & Pacific Railroad Company d.b.a.
C.N.
Indiana Harbor Belt Railroad Company
The Kansas City Southern Railway Company
Kansas City Terminal Railway Company
New Orleans Public Belt Railroad Corporation - 6
Norfolk Southern Corporation
 Norfolk Southern Railway Company
 The Alabama Great Southern Railroad Company
 Central of Georgia Railroad Company
 The Cincinnati, New Orleans & Texas Pacific Railway Company
 Georgia Southern and Florida Railway Company
 Tennessee, Alabama and Georgia Railway Company
Northeast Illinois Regional Commuter Railroad Corporation (METRA) – 2
Northern Indiana Commuter Transportation District – 2
Portland Terminal Railroad Company
Port Terminal Railroad Association – 3
Soo Line Railroad Company d.b.a. C.P. - 2
Terminal Railroad Association of St. Louis - 3
Union Pacific Railroad Company - 5
Western Fruit Express Company
Wichita Terminal Association
Winston Salem Southbound Railway Company
Wisconsin Central Ltd. as successor to Duluth, Missabe & Iron Range Railway and Duluth,
Winnipeg & Pacific Railway d.b.a. C.N.
Wisconsin Central Ltd. as successor to Duluth, Missabe & Iron Range Railway d.b.a. C.N. - 4

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Notes:

- 1 - Excludes any Section 6 Notices covering employees working under or covered by the Agreements effective January 5, 2007, January 1, 2011, September 1, 2011, August 27, 2012, April 23, 2019, March 29, 2018, July 1, 2011, November 1, 2017, or any similar subsequent agreements.
- 2 - Health & Welfare only
- 3 - Includes Patrolmen (former RPIU)
- 4 - Ore Dockers
- 5 - Excludes any Section 6 Notices covering employees working under or covered by the Agreement effective January 1, 2013.
- 6 - Wages and Health & Welfare only

Revised 11/7/19

ATTACHMENT A

Wages

January 1, 2020: 3% GWI

July 1, 2020 and each July 1 thereafter, through 2024: 5% GWI

Any retroactive portion of wage increases will be paid no later than 60 days after the date of the executed Agreement.

Work Rules

All work rule changes will be effective July 1, 2020.

Sick Leave

Utilization of collectively bargained sick leave will not result in discipline being assessed. Collectively bargained sick leave cannot be used against an employee's attendance record.

Vacation

Amend Vacation Schedule as follows:

<u>Years of Service</u>	<u>Vacation</u>
1 through 4	2 Weeks
5 through 7	3 Weeks
8 through 14	4 Weeks
15 through 19	5 Weeks
20 or more	6 Weeks

Personal Leave Days

Add two personal leave days.

Supplemental Healthcare

Short Term Disability Insurance plan is to be made available to all employees. Carrier will bear burden of the cost.

Shift and Differential Rates

Weekend/shift differential of 10%.

Holidays

Add Martin Luther King, Jr. Birthday and Veterans Day.

Bereavement Leave

Add the following relatives: Grandchildren, Grandparents, Stepchildren, Stepparents, Spouse's Stepparents.

Allow four work days paid bereavement to be taken at any time in the year following death of relative.

401(k)

Establish a 401(k) to include Carrier full match up to 5%.

Holiday Pay

Eliminate bridging requirement.

Savings Clause

Proposals shall not apply on any property where they are already in effect, or where more beneficial provisions are already in effect.

Me-Too Clause

Union shall have right to select superior compensation, benefits or rules negotiated by any other union during this round.

Agreement Duration

Five years

The Organization reserves the right to amend or modify these proposals and/or to make additional proposals to the extent permitted by law.

Attachment B
HEALTH & WELFARE

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 26.

- (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 to step-grandchildren residing with an employee; and any other children placed with the employee by court order or related to the employee by blood and/or marriage.

Autism Spectrum Disorders

- (1) Provide services for Autism Spectrum Disorders without regard to age where benefits don’t already exist.
- (2) 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.
- (3) 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.

- (4) 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 – reduce copay to zero;

Brand Name Formulary- reduce copay to \$5.00

Brand Name Non-formulary – reduce copay to \$10.00.

- Mail Order:

Generic –reduce copay to zero

Brand Name Formulary – reduce copay to \$10.00

Brand Name Non-formulary – reduced copay to \$20.00

- (2) Increase the day's supply of medication at retail pharmacies to 30 days.
- (3) Eliminate dosage/quantity restriction limits where they exist for medications/therapy when the FDA has ruled the medication/therapy is appropriate for one or more medical conditions, i.e, erectile dysfunction drugs.

Coordination of Benefits

- (1) Modify the Coordination of Benefits provisions to eliminate the so-called ‘non-duplication’ provisions and allow reimbursement up to 100% of allowable charges.
- (2) Modify the in-network benefits to eliminate copays, deductibles and coinsurance for two married railroad employees and their eligible dependents to allow reimbursement at 100% of allowable charges.

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.

Birth Control/Reversal

- (1) Provide coverage to males under the Plan for voluntary sterilization and/or reversal.

Employee Contributions

- (1) Eliminate all employee cost-sharing contributions.

Employee Opt-Outs

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

Dependent Pregnancy

- (1) Provide full coverage for pregnancies of female dependent children where benefits don't already exist.
- (2) Provide full coverage for new born children of female dependent children through age two (2) – where benefits don't already exist.

Speech Therapy

- (1) Provide services to restore or improve speech for employees and all eligible dependents without regard to age where benefits don't already exist.

Hospice Benefits

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

Repatriation Insurance

- (1) Provide medical evacuation and repatriation insurance to cover 100% of the cost for the transportation of 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 \$300 for the completion of a Health Risk Assessment as well as the completion of the corresponding bio metric screenings by an employee or dependent age 18 or over.

Managed Medical Care Program (MMCP)

- (1) Reduce all existing co-payments under MMCP by \$5.00 per visit, including emergency room visits.
- (2) Reduce the in-network deductibles to \$100/individual and \$300/family.
- (3) Reduce annual in-network, out-of-pocket maximums to \$500/individual and \$1,000/family.
- (4) Provide out-of-network coverage where benefits don't already exist 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.
- (5) Eliminate the non-notification penalty under the Care Coordination/Medical Management Program for out-of-network services where required.
- (6) Provide for a combined annual patient maximum of \$500 cap for copays for chiropractic and physical therapy services.
- (7) If a participant's primary care physician, treating specialist or other provider, or preferred hospital or facility, terminates network participation due to a contract cancellation with the insurance company providing coverage 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 90/10 co-insurance under the CHCB plan.
- (2) Reduce the annual deductibles to \$100/individual and \$300/family.
- (3) Reduce annual out-of-pocket maximums to \$1,000/individual and \$2,000/family.
- (4) Provide annual prostate cancer screening at no cost to the participant.
- (5) Eliminate the non-notification penalty under the Care Coordination/Medical Management Program.
- (6) Provide for a combined annual patient maximum of \$500 coinsurance for chiropractic and physical therapy services.

Managed Mental Health and Substance Abuse Benefit (MHSA)

- (1) Reduce all in-network outpatient co-payments under MHSA.
- (2) Eliminate the non-notification penalty for out-of-network services.

Life/AD&D Insurance

- (1) Increase Active Employee Life Insurance to \$50,000.00.
- (2) Increase Retired Employee Life Insurance to \$20,000.
- (3) AD&D - increase coverage to the following:

TABLE OF COVERED LOSSES AND BENEFIT AMOUNTS

<u>COVERED LOSSES</u>	<u>BENEFIT AMOUNTS</u>
Life	\$50,000
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 \$50,000 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 benefits to dependents on the same basis as those under the medical plan, including but not limited to, age 26 without regard to marital status, residence or full-time student status.
 - (2) Provide full Plan coverage to an employee and eligible dependent that 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 or becomes eligible for Medicare, whichever is the latter.

Benefits

- (1) Eliminate the annual deductible.
- (2) Increase the annual maximum to \$4,000.00.
- (3) Increase Type B coverage to 100%.
- (4) Increase Type C coverage to 75%.
- (5) Increase orthodontia benefit to 75% with a maximum of \$4,000.00.

- (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.
- (2) Provide full Plan benefits to dependents on the same basis as those under the medical plan, including but not limited to, age 26 without regard to marital status, residence or full-time student status.

In-Network Benefits -

- (1) Increase the frame allowance to \$250 per calendar year.
- (2) Provide full coverage for the following options:
 - Scratch Coating
 - UV Protection
 - Anti-Reflective Coating
 - Photochromic Lenses
 - Progressive Lenses
- (3) Increase the allowance for contact lenses to \$250 per calendar year.

- (4) Provide full coverage for corrective eye surgery, including but not limited to laser eye surgery, to correct vision in one or both eyes.
- (5) Eliminate lens exclusions for oversized lenses.

Hospital Associations

- (1) Amend the “Dues Offset Formula” to provide that Hospital 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.
- (2) 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 Railroads to Hospital Association Railroads will be borne by the Railroads.
- (3) 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.

- (4) Treat Dependent Spouses covered as Employees under a Hospital Association Plan the same as two married railroad employees covered under the Plan who are not covered under a Hospital Association Plan.
- (5) Allow for coordination of benefits for employees and eligible dependents between the Hospital Association and the National Plan to provide for annual family deductibles and out-of-pocket amounts not to exceed those amounts agreed to under the National Agreement.

Supplemental Sickness Benefits -

Provide Supplemental Sickness Benefits that equal 90% of the employee's regular daily rate of pay, for up to eighteen (18) months, to all employees with at least three (3) months' service, regardless of their eligibility for Railroad Retirement sickness benefits. If an employee is eligible for Railroad Retirement sickness benefits, then such benefits may be combined with those under the agreement to reach the 90% level.

Transgender Coverage

Provide full benefits and coverage to employees and eligible dependents for gender reassignment surgery.

National Health Legislation

- (1) In the event that further national health legislation should be enacted, benefits provided under 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.
- (2) Should national health legislation repeal or eliminate any health care coverage or individuals provided under the Plan, such coverage and individuals will continue to be covered without regard to national legislation.

General

- (1) The JPC 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.

The Organization reserves the right to amend or modify these proposals and/or to make additional proposals to the extent permitted by law.