

BMWED SERVES SECTION 6 RLBC/NCCC Bargaining Sessions Begin

The Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters began national bargaining with the National Carriers' Conference Committee (NCCC) on January 13, 2010.

The BMWED is bargaining on a coordinated national basis as part of the Rail Labor Bargaining Coalition (RLBC). The RLBC is comprised of six national rail unions, representing more than 70,000 railroad employees, including; Brotherhood of Maintenance of Way Employees Division – IBT, Brotherhood of Locomotive Engineers and Trainmen – IBT, Brotherhood of Railroad Signalmen, International Brotherhood of Boilermakers, Blacksmiths, Iron Ship Builders, Forgers, and Helpers, National Conference of Firemen & Oilers – SEIU, Sheet Metal Workers' National Association.

The BMWED and the RLBC served notice on the rail freight carriers represented by the NCCC on December 9, 2009 pursuant to Section 6 of the Railway Labor Act. Bargaining is set to continue on February 23 and March 15 and 16, 2010. Following are excerpts from the RLBC Section 6 Notice that could specifically affect BMWED membership employed on the freight railroads represented by the NCCC;

1. Wages:

a. General Wage Increases

- (1) 7% general wage increase effective January 1, 2010, and each January 1 thereafter;
- (2) Incorporated into all basic rates of pay for all purposes and all elements.

b. Skill/equity/shift differentials

- (1) Agreed-upon classifications;
- (2) Weekend/shift differential of 25% applicable to all classes of service

c. Eliminate all service entry rates and two-tier pay systems.

d. Performance bonus as supplement to guaranteed general wage increases.

e. Commercial Driver's License (CDL) supplement: Add \$1.00 per hour to basic rate of pay for all positions for which the employee's possession of a CDL is required.

f. Wage Responsibility Adjustment

- (1) A wage increase effective January 1, 2010, in an amount to be negotiated for maintenance employees and those employees directly responsible for or signatory to FRA required safety-critical repairs, tests, and inspections.

2. Cost-of-Living Adjustments:

a. Full Cost-of-Living Adjustments (COLA) w/o caps or limitations continuing into status quo period beyond the moratorium, incorporated into basic pay rates.

- (1) One cent for each 0.1 full point change;
- (2) Three-month adjustment periods.

3. Retirement Accounts:

a. Establish 401 (k) Plan

- (1) Annual carrier contribution;
- (2) Full match up to 6%.

4. Holidays:

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

b. Holiday pay compensation for employees who are working a compressed workweek schedule shall be paid at the employee's daily rate but not less than eight (8) hours per day.

5. Vacations:

- a. Amend National Agreement to afford additional paid vacation as follows:

Years of Service Vacation

| | |
|---------------|---------|
| 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 |

- b. Change the vacation qualifying rules to enable employees not qualifying for full vacation benefits to have prorated vacation benefits based upon the percentage of vacation qualifying days worked in the previous year.

6. Bereavement Leave:

- a. Add the following relatives on whose death bereavement leave shall be granted:
 - (1) grandchildren,
 - (2) grandparents,
 - (3) stepchildren,
 - (4) stepparents,
 - (5) spouse's stepparents.
- b. Allow five (5) workdays' bereavement leave to be taken either consecutively or in single day increments at any time up to six (6) months following the death of the family member.
- c. Bereavement leave compensation for employees who are working a compressed work week schedule shall be paid at the employee's daily rate.

7. Personal Leave Days:

- a. Increase number of personal leave days due each employee in the calendar year.
- b. Longevity Scale.
- c. Unused personal leave paid or carried over at employee's option.

8. Sick Leave:

- a. Effective January 1, 2010, and each January 1 thereafter, each employee with one year of service will receive a sick leave benefit consisting of twelve (12) sick days each calendar year to supplement sickness benefits available under the RUIA.
- b. Employees may accumulate paid sick leave days.

9. Off-Track Vehicle Insurance:

- a. Improve existing allowances for employee injuries suffered in a vehicular covered condition by increasing monetary amounts to \$1 million for each loss now carrying a \$300,000 benefit, and \$500,000 for losses now carrying a \$150,000 benefit.
- b. Increase aggregate limit of payments for any one accident to \$20 million.
- c. Obtain accident insurance with benefits comparable to the foregoing allowances to cover to employees injured or killed in an accident while riding in a Carrier contracted van service regardless of negligence by the van operator.
- d. Injured employees entitled to disability payments.

10. Labor-Management

Committees:

- a. All labor-management committees, including, but not limited to, safety committees, quality committees, quality circle committees, quality-inaction committees, labor-management productivity committees, and any other employee-carrier committee, on which employees serve, must be established by agreement of the parties.

11. Information Requests:

- a. Upon request, the Carrier shall provide the Organization with information reasonably necessary to administer and negotiate the collective bargaining agreement.

12. Job Stabilization or Other Unemployment Agreement:

a. Negotiate or amend job stabilization or other unemployment agreements to provide furlough/wage rate protection for employees on seniority list as of date of the Agreement.

13. Reimbursement for Safety Equipment:

a. Full reimbursement for all required safety equipment.

14. Away From Home Expenses:

a. Provide for the elimination of camp cars, outfit cars, trailers and other mobile lodging facilities provided by the Carrier.

b. Employees shall receive single occupancy lodging and full reimbursement of expenses for meals and telephone while away from home.

15. Travel Expenses:

a. Provide mileage reimbursement and pay at the applicable straight time or overtime rates for all time expended traveling between home and away from home lodging locations or work locations and from one work point to another.

b. For employees who cannot drive home due to distance, carrier provides round trip airfare and pays employee at the applicable straight time or overtime rates for all time expended traveling between home and away from home lodging locations or work locations and from one work point to another.

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. Any request for changes herein is not an admission, expressed and/or implied, directly and/or indirectly, that those changes requested are not already contained within the terms and conditions in any existing collective bargaining agreement.

Railroad Employees National Health and Welfare Plan GA-23000

Eligibility -

(1) Dependents of employees on active military status will be provided full coverage, without cost sharing, for the length of a standard tour of duty plus 6 months.

(2) Extend full coverage for college students under age 25 for 4 months following their graduation date.

(3) Provide full Plan coverage to opposite and same sex domestic partners in a committed relationship, including such domestic partners not residing in common law states.

(4) Extend full coverage to step-grandchildren residing with an employee.

(5) Provide full coverage to 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; Physical Therapy, and 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;

Mail Order: generic - no co-pay.

Increase the day's supply of medication at retail pharmacies to 30 days.

Lifetime Maximum -

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

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.

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.

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 36 months 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 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 \$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) 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.
- (2) Eliminate defined awarded markets and open all markets to allow choice of all three providers, Aetna, Highmark, and United Healthcare.
 - (3) Provide for an annual out-of-pocket maximum of \$200 for chiropractic and physical therapy services.
 - (4) 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 benefits comparable to MMCP for employees who do not live in MMCP network areas.
- (3) Reduce annual out-of-pocket maximums to \$500/individual and \$1,000/family.
- (4) Provide annual prostate cancer screening at no cost to the participant.
- (5) Provide annual influenza vaccinations at no cost to the participant.
- (6) Provide sigmoidoscopy or colonoscopy for participants over 40 years of age at no cost to the participant.
- (7) Provide other screening tests as recommended by the United States Preventative Disease Task Force at no cost to the participant.
- (8) Provide for an annual out-of-pocket maximum of \$200 for chiropractic and physical therapy services.

Managed Mental Health and Substance Abuse Benefit (MHSA) -

- (1) 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.
- (2) Eliminate lifetime maximum benefit for Mental Health services.

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 BENEFIT LOSSES 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.

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.
- (3) 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 1 of each subsequent year.
- (4) The so-called pick-up and/or run out 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.
- (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 married 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.

Supplemental Sickness Benefit Plan - Aetna Plan No. 502 Employer Identification No. (EIN) 532-1162945

Amend the provisions of Aetna Plan No. 502 Employer Identification No. (EIV): 52-1 162945, the Supplemental Sickness Benefit Plan, to provide the following effective, January 1, 2010:

- (1) Amend the Plan so that the combined benefit limits payable under the Plan are 90% of the employee's regular daily rate, including payments from the Railroad Retirement Board, if eligible.
- (2) Remove requirement that employee must be eligible for Railroad Retirement sickness benefits in order to qualify for benefits hereunder.
- (3) Amend the Plan to change the maximum duration for the payment of benefits to 18 months from 12 months.

(4) Employees will be eligible for these benefits after three months of service, regardless of eligibility for Railroad Retirement sickness benefits.

(5) Amend Plan to provide that the medical proof of disability supplied to Railroad Retirement and Railroad Retirement approval of such disability will be acceptable to the Plan in determining medical proof of disability.

(6) Amend Plan to provide for payment of benefits for claims where notification is more than 60 days after date of disability. In such cases, in addition to what is already provided in the Plan, the Plan will pay benefits beginning on the date of notification.

Cost Containment Measures

(1) Waive co-pays when an employee is referred by the Nurse Helpline to seek treatment from the emergency room.

National Health Legislation

(1) In the event that 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.

General

(1) The Joint Plan Committee (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 JPC 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.

BMWED Craft Specific Issues

1. Unified rate of pay:

a. Unified rate of pay on all carriers under common control – highest rate applicable to a position on such carriers paid to all employees performing that work.

2. Prohibition on Subcontracting:

a. All work in connection with the construction, maintenance and repair of tracks, bridges, buildings and the right-of-way shall be performed by BMWED represented employees and shall not be contracted out without the written concurrence of the General Chairman.

3. Training & New Technology:

a. Establish a rule that guarantees BMWED represented members the right to receive training for and to operate any equipment or machines using a technology new to any and all work in connection with the construction, maintenance and repair of tracks, bridges, buildings and the right-of-way.

b. Establish a rule that guarantees BMWED represented members the right to receive training for any new process used and any and all work in connection with the construction, maintenance and repair of tracks, bridges, buildings and the right-of-way.

c. Establish a rule that provides a process to resolve disputes between the parties regarding rates of pay, rules and working conditions whenever the Carrier introduces equipment or machines using new technology or introduces a new process applicable to any and all work in connection with the construction, maintenance and repair of tracks, bridges, buildings and the right-of-way.

4. Force Levels:

- a. Establish a rule that provides for a minimum consist for each section gang.
- b. Establish a rule that provides for section gang.

5. Discipline

- a. Establish a rule that provides for pre-hearing discovery of evidence to be presented against a charged employee.
- b. Establish a rule that requires the carrier to continue to pay employees taken out of service until discipline is assessed following a fair and impartial hearing.
- c. Establish a rule to clarify and codify the principle that all findings made by Hearing Officers, including credibility determinations, are subject to arbitral review.