

# CONTRACT WATCHDOG

## Get the Facts on the Teamsters controlled Teamcare plan

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### **Hoffa has and will divert your health coverage money into their failing Central States Pension**

*Teamsters suffer major cuts in medical coverage, as a result of moneys diverted by Hoffa from their fund to the Central States Pension Fund.*

July 17, 2006: Effective August 1, all Michigan cartage Teamsters covered by the NMFA will have major cuts in medical coverage, as a result of moneys diverted from their fund to the Central States Pension Fund. The Michigan Fund informed all affected members of the cuts in a July 3 letter.

**The Michigan Fund reported that the Hoffa freight leadership diverted money from health coverage over “emphatic objections”** of the health plan. For the third year in a row, all contractual health and welfare increases in employer contributions under the NMFA were diverted from health to the Central States Pension Fund.

#### **Medical Cuts brought on by Hoffa mismanagement hurts union families.**

Cuts include basic medical going from 100 percent coverage in network to 80 percent; annual out-of-pocket maximum jumps to \$750 per individual and \$1,500 per family in network, while out of network will be \$1,500 and \$3,000. Co-pays are increased; outpatient cancer rider is eliminated; weekly accident and sickness benefits and death benefits reduced; and numerous other cuts will increase expenses to affected Teamsters. The Fund has set up a two-tier arrangement, with freight going down to a new “TIF 2” level, while others will remain at “TIF 1.”

***Hoffa asserts that he has the right to change the NMFA without a vote of the affected members, and has done that to divert contractual money from health to pension for three straight years.*** The Central States Health and Welfare Fund has dealt with this diversion by serious cuts, **essentially killing retiree health care.** A 56-year-old Teamster retiring with 30-and-out on Central States Health and Welfare (**TEAMCARE**) **now must pay \$1,220 per month for medical coverage for the Teamster and spouse.**

The diversion by the Hoffa administration hurts 2,000 Michigan cartage Teamsters and also may eventually hurt the 900 freight Teamsters in the Wisconsin Health Fund. The Central States employers want all (health and welfare increases) diverted to the pension fund to reduce the employers’ unfunded liability.

**United Mechanics don’t put your family’s Health Plan in jeopardy by putting it in the hands of the corrupt teamsters union leadership.**

**Hey Teamsters ! Keep your hands off  
OUR Medical Benefits!!!**

DEFENDING OUR PROFESSION



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# COMING SOON: AFTER ELECTION CENTRAL STATES CUTS TO H & W

POSTED ON JULY 17, 2006

July 17, 2006: The big health care cuts that the Hoffa administration just slapped on Michigan freight Teamsters will spread to freight, UPS and carhaul Teamsters throughout the Central and Southern Regions.

The Central States trustees are staying quiet about the cuts until after the election for International officers. Then the "surprise attack" will come down.

For the third year in a row, the contractual August 60 cents per hour increase in employer contributions in the freight, UPS and carhaul contracts has been diverted from health and welfare benefits to the Central States Pension Fund, at the request of the employers.

Central States Health and Welfare has balanced the books for the past two years by taking health coverage from retirees. But now they will have to come after working Teamsters.

Many UPS Teamsters have company-provided health and welfare, but the company sets the benefit level by matching Central States benefits, so the cuts will hit them as well.

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