Truth about the Teamsters at United Airlines

Teamsters T/A Terminates Medical Benefits Plan January 1, 2013

On March 18, 2011 teamsters' negotiators announced they had reached a tentative agreement with United Airlines. *Jim Hoffa Jr; teamsters president claimed it was an "outstanding job" without seeing the contract.* A week later the T/A was released, the teamsters claimed victory but in reality they have failed miserably.

The teamsters' concession stand was open for business and mechanics Medical Benefits and Retiree Medical benefits plans were on the chopping block. For the sake of our families this teamsters T/A must be rejected!

Thanks to the teamsters UAL negotiating committee United Mechanics and their families will lose their current Medical Benefits Plan Coverage on January 1, 2013 and UAL mechanics will be forced to join the lesser Continental Medical Plan which has higher premiums.

UAL negotiators outsource Mechanic Medical Benefits / Retiree Medical Benefits to the teamsters' organization?

In the teamsters' concessionary <u>T/A page 16-1 Benefits</u>, your families Medical Benefits and Retiree Medical Benefits are set to be terminated on 1-1-2013. The teamsters' negotiators don't even know the costs associated with a new plan yet they willingly surrendered your families existing Medical plan in this Tentative Agreement.

The same union that negotiated this concessionary contract could now provide you and your family with medical benefits. The senior mechanics that were promised an IBT pension will lose Retiree Medical Benefits.

Mechanics could lose current Medical benefits prior to 1-1-2013

LOA #29-1 UAL and the IBT agreed to establish a committee to explore and recommend "<u>alternative health and medical plans including multiemployer welfare benefit plans"</u> additionally "<u>implement the plan as soon as practicable, including the term of this agreement</u>". **The union can implement this plan without a vote.**

Clacy Griswold is on the board of trustees for the teamsters MULTI UNION SECURITY TRUST FUND located in Glendale CA. These plans are extremely costly to administer. In the 2009 Summary Annual Report** their administrative expenses are around 4.5% of total Employer and Employee contributions! Not too bad if you are serving on the Board of Trustee of the Fund like Mr. Clacy Griswold does.

The Appointed chief negotiator for the teamsters at United does have a self interest to terminate your families current Mechanics Medical Benefit Plan. How can he not be biased when it comes to negotiating our benefits when he can directly benefit by having our membership placed in these Funds?

If you think teamsters representation on the floor is bad, wait till they get their hands on you and your families Medical Benefits and Retiree Medical benefits.

What is a multiemployer welfare benefit plan?

Any plan, fund, or program which is **established or maintained by** an **employer** or by an **employee organization**, or by both, for the purpose of providing for its participants or their beneficiaries, through the purchase of insurance or otherwise.

United State Department of Labor in their guide to Multi Employer Welfare Benefit Arrangement (MEWA) publication* mentions

"In practice, however, a number of MEWA have been unable to pay claims as a result of insufficient funding and inadequate reserves. Or in the worst situations, they were operated by individuals who drained the MEWA's assets through excessive administrative fees and outright embezzlement.

* See link - http://www.dol.gov/ebsa/Publications/mewas.html

** See link - http://www.pacfed.com/must/pdf/MUSTNovDec2009.pdf

*** See link - http://www.pacfed.com/must/pdf/spd.pdf

Also see http://abcnews.go.com/WNT/story?id=130447&page=1

The trustees have the final say over all our family's medical and dental insurance claims. Our own union will be able to deny our medical and dental claims. They will control every aspect of our health care benefits.

Below is a notice from page 2 of the **teamsters MULTI UNION SECURITY TRUST FUND** Summary Plan description:

The Board of Trustees intends to continue your health plan as long as sufficient trust assets are available. However, the Board of Trustees reserves the sole right to change all or any of the plans from time to time, to discontinue all or any of the plans from time to time in the sole and absolute discretion of the Board of Trustees.

The UAL mechanics who voted for the teamsters based on the premise "you need crooks to fight the crooks" will now find those same crooks controlling your families Health and Welfare Benefits.

Sign an IAMAW authorization card today.

The Mechanics for Change Committee