



Washington-Baltimore Newspaper

Guild @ BNA

Contract Update # 3

Dec 9, 2009

BNA PROPOSES HUGE HEALTH CARE PREMIUMS RANGE FROM \$144 TO \$762 PER MONTH PENSION, RETIREE BENEFITS ALSO ON THE CHOPPING BLOCK

Saying BNA can attract and keep employees with lower benefits and salaries, the company Tuesday proposed shifting millions of dollars in health care costs to its employees.

The bulk of that money would come in the form of health insurance premiums, ranging from \$144 per month for individuals to up to \$762 per month for those on the family plan. The higher figure includes a \$150 per month surcharge if the employee's spouse is on the BNA plan and has a job that offers health insurance.

Employees plus one dependent would pay \$341 per month, or \$491 if the employee's spouse had access to another employer's insurance.

The premiums would be based on a percentage of the insurance cost — 25% for individuals, 30% for employee plus one dependent, and 35% for those on the family plan. The \$150 spousal surcharge would be in addition to those costs. The actual out-of-pocket employee premium would go up as health costs go up.

BNA also is proposing to introduce in-network deductibles and coinsurance, which would shift even more costs to employees. Annual deductibles would be \$300 for employee only, \$600 for employee plus one dependent, and \$900 for families. After paying the deductibles, employees then would be faced with a 20% coinsurance payment for in-network medical services. Out of network costs would be even higher.

Prescription drug co-pays would go up more than 100%, and doctor's office visit co-pays also would rise. And finally, the Kaiser plan would be eliminated.

Wojcik: We're too generous

BNA made this proposal after CEO Paul Wojcik told the Guild that BNA is too generous.

"We're offering a level of benefits that's not necessary to attract employees," Wojcik said, noting other companies have lower levels of benefits.

Wojcik gave a long Power Point presentation detailing the benefits BNA provides as part of the Guild contract and how they affect profits.

He told bargainers that despite the worst economy since the Great Depression, BNA projects a \$35 million profit this year. It turned profits in excess of \$40 million the previous two years.

Guild chief negotiator Paul Reilly reminded the management bargainers that BNA provides the current benefits and salaries not because the company is generous—but because the Guild bargained for them.

"Both sides should be proud of the contract that has attracted the best workforce in the industry," Reilly said.

Retirees would take a big hit

BNA's proposals would take even more from retirees—ending health coverage for those who are Medicare-eligible or younger than 55.

BNA refused to say whether it intended to try to end health insurance for those already retired, or only for future retirees.

Medicare-eligible retirees would be provided with an annual stipend to defray the cost of supplementary health insurance.

Retirees between ages 55 and 65 would pay a 33% premium. BNA did not provide a dollar figure. Those retiring before age 55 would have to pay the entire premium, but again, BNA did not provide a dollar figure.

In fact, when asked how much BNA projected it would save with all the benefits changes for retirees and employees, BNA chief bargainer Chris Marlin said that figure wasn't handy.

Two-Tier Retirement

Finally, BNA is proposing to set up a two-tier retirement system by excluding new hires from the defined benefit pension, which provides guaranteed annual income upon retirement. Instead, new hires would have only a 401(k) plan with a company 25% match on the first three percent of an employee's contribution. Someone making \$50,000 and contributing at least three percent would get a BNA contribution of \$375 for the year.

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