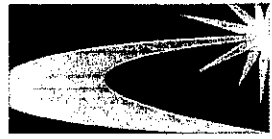


NCFO

LOCAL 32BJ



SEIU

NATIONAL CONFERENCE OF
FIREMEN & OILERS
DISTRICT OF LOCAL
32BJ/SEIU

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October 15, 2008

NCFO RAIL CHAPTERS

Dear Sisters and Brothers:

The National Conference of Firemen and Oilers District of 32BJ is pleased to announce that members covered by the 2007 National Freight Agreements will soon have a significant health insurance benefit improvement. Effective November 1, 2008, office visit co-pays for Nurse Practitioners, Physician's Assistants, Physical Therapists and Chiropractors will be lowered from \$35.00 to \$20.00. In addition, a new supplemental discount program will soon be applied to charges for out-of-network services that should result in considerable participant savings.

Co-pays under the 2007 Agreements were set at \$35.00 for specialists as one of several inseparable Plan design changes that facilitated the unprecedented expansion of Managed Care to almost all geographical areas of the country. As a result of the MMCP expansion, virtually all members covered by the National Freight Agreements can now enjoy the lower out-of-pocket costs and unlimited lifetime cap of Managed Care as opposed to the 85/15 co-insurance arrangement of the Comprehensive benefit with its \$1 million cap and annual deductibles.

Notwithstanding the tremendous advantages of the MMCP expansion, the placement of co-pays for Nurse Practitioners, Physician's Assistants, Physical Therapists and Chiropractors in the higher "specialist" provider category had substantial impact on some members and was a benefit change we fought hard to avoid. Ultimately, we were unable to achieve the lower \$20.00 co-pays we sought, and the agreement sent to you for ratification in 2007 reflected the \$35.00 co-pays.

However, by steadfastly pursuing the issue with Carriers through our status as Joint Policyholders, we were able to achieve a reduction in co-pays through jointly agreed upon *administrative action* during the moratorium periods between contracts. Likewise, the implementation of the new supplemental discount program was also the result of administrative action by the Joint Plan Committee.

Benefit improvements between contracts are extremely rare, and we are both pleased and proud to have achieved these important goals.

In solidarity,

George J. Francisco, Jr.
NCFO District President

Cc: J. Thacker
General Chairmen/Vice GC