

**OCTOBER 15, 2008 MINUTES OF THE  
OMAHA WORKS RETIREE GROUP  
AT THE AMERICAN LEGION POST #374**

**FLYERS: TENTATIVE MEETING NOTICE, THE CHANGES TO EXPECT NEXT YEAR ARE, AND BYLAWS FOR OMAHA WORKS RETIREE GROUP:**

**CALL TO ORDER:** Lyle Nicholson called the meeting to order.

**ROLL CALL:** Present for the 10 AM and the 1 PM meetings were Lyle Nicholson, Dan Kovar, Pauline Lieth, Andy Barges, Jim Filipiak, John Barnes, Howard Clark, Bill Love, Bev Opfer, John Pinkerton, Mary Jo Pinkerton, Edie Riester and Ray Sempek. Absent were Everett Peterson, Martha Ross and Cheryl Todd.

**DECEASED RETIREEES:** A list of names of the deaths since the July 16<sup>th</sup> quarterly meeting was announced. We all stood for a moment of silence.

**MINUTES:** Pauline read a summary of the minutes of the July 16<sup>th</sup> meeting. A motion was made to accept the minutes as read, seconded, all yeas, and minutes were accepted.

**TREASURER'S REPORT:** Andy Barges gave the following report: The meeting October 15, 2008 has these results:

<b>BEGINNING BALANCE -----</b>	<b>\$941.71</b>
<b>EXPENSES:</b>	
<b>P.O. BOX RENTAL-----</b>	<b>\$70.00</b>
<b>WEB SITE FEE-----</b>	<b>\$99.00</b>
<b>OFFICE SUPPLIES-----</b>	<b>\$90.49</b>
<b>HALL RENTAL-----</b>	<b>\$150.00</b>
<b>AFL-CIO MAILINGS-----</b>	<b>\$264.68</b>
<b>SIGN INTERPRETERS-----</b>	<b>\$50.00</b>
<b>WORLD HERALD AD-----</b>	<b>\$92.82</b>
<b>DEPOSITS:</b>	
<b>MEETING DONATIONS-----</b>	<b>\$504.00</b>
<b>REBATE FROM LAANPA-----</b>	<b>\$445.88</b>
<b>FINAL BALANCE-----</b>	<b>\$1074.60</b>

**BUCKETS:** John Barnes and Bill Love passed the donation buckets.

**INDEX CARDS:** Lyle asked the retirees if they had picked up an index card for their question to our speaker, Bryan Flickinger (Lucent Healthcare Coordinator).

**OLD BUSINESS FROM THE FLOOR:** None  
**NEW BUSINESS FROM THE CHAIR:**

**ALCATEL-LUCENT PRESCRIPTION DRUG PROGRAM AND MEDICARE PART D:** Howard Clark presented this information:

Alcatel-Lucent Local Presidents

I neglected to include the increase to the Prescription Drug Plan Out of Pocket Maximum in 2009 in my original web posting and have added it to the Prescription Drug Plan Co-pay information. The Out of Pocket Maximum will increase from \$1250 to \$1500 in 2009. This increase to the co-pay in addition to the increased Out of Pocket Maximum could result in a savings of \$5.8 in 2009. I apologize for the omission.

The Joint Retiree Healthcare Committee (JRHC) has completed annual negotiations in regard to the Formerly Represented Retiree Healthcare Plan for 2009. Each year, as negotiated in 2004, the JRHC reviews Retiree healthcare costs reported by the Company to have exceeded the negotiated Retiree Healthcare Caps that year. The Company is required to deposit a minimum of \$25 million in a Taft-Harley Trust Fund overseen by Trustees from the Company, the IBEW and CWA, to help reduce the costs to be borne by the Retirees. The Committee is required to "True Up" the balance of the excess cost by making changes to the Medical and/or Prescription Plan Designs, as well as Provider-recommended programs designed to help save future costs for the Plans and for the Retirees. The JRHC must also consider possible increases to Retiree contributions.

This year, the Committee spent a great deal of time researching Provider-recommended programs to minimize increases in the cost of the Plans and/or Retiree contributions in 2009. To that end, the JRHC has recommended several Prescription Drug Plan Programs that will be administered by Medco. They include the following:

. My Rx Choices - This program, currently in place, will be extended into 2009 and will continue to provide participants with ongoing cost saving opportunities. Although not mandatory, this program provides lower cost alternatives to medications many of our retirees and their dependents currently take. In 2007 this program resulted in a savings of almost \$1 million to the Prescription Drug Plan and more than \$600,000 of savings to Retirees and their Dependents. My Rx Choices could potentially save an additional \$1 million. Retirees, for whom this Program applies, will receive additional information by mail in the near future.

. Retail Refill Allowance Program (RRA) - The RRA program helps to take advantage of the cost savings at mail order. Retirees and their dependents will not be mandated to fill their maintenance prescriptions at mail order. However, following the Participant's third fill of a prescription for the same drug at a retail pharmacy, they will be required to pay a higher prescription drug co-pay if they wish to continue filling the prescriptions at a retail pharmacy. This is not a mandatory mail order program. The savings of this program is projected to be \$2.1 million in 2009 if used effectively by Retirees and their dependents.

. Coverage Authorization Programs - These programs, currently in place for 12 drug classes, will be expanded in 2009. The programs verify that Members' diagnoses and/or quantities dispensed are consistent with coverage requirements. By adding 11 drug classes to the programs in 2009, a savings potential of \$2.6 million is possible.

. Preferred Step Therapy - This program, for four drug classes, encourages the use of one drug prior to a secondary drug. This program simply ensures that participants try lower cost generics or lower cost brands before the higher cost brands that may have been prescribed. If the participant's physician indicates that the higher cost drug is medically necessary, the participant will be allowed to continue taking the drug. The savings potential with this program is \$3.4 million.

. Generics Advantage Incentive - Medco has developed a brand-to-generic co-pay waiver that targets patients who have opportunities to use generics, to convert brands to generics and/or move generics to mail. Participants will receive generics for free during the three month waiver period, the first time they purchase a new generic prescription through Medco by mail. The estimated savings to the Plan is almost \$400,000.

. Prescription Drug Co-pays and Out of Pocket Maximum - There will be a slight increase in prescription drug co-pays effective 1/1/09. The 4th Tier will increase from \$50 to \$55. The co-pays for Tier 1, 2 and 3 will not increase. Therefore, the 2009 co-pays will be \$10 for Tier 1 generics, \$25

for Tier 2 brand, \$35 for Tier 3 brand, and \$55 for Tier 4 brand. Drugs in Tier 4 have a generic equivalent.

In addition, the Out of Pocket Maximum will be increased from \$1250 to \$1500 in 2009. The increase in the Tier 4 co-pay, in addition to the increased Out of Pocket Maximum, could save nearly \$6 million in 2009.

. Prescription Drug Plan - Out of Pocket Maximum - The Out of Pocket Maximum will increase from \$1250 to \$1500 in 2009. This increase will save approximately \$5.8 million in 2009.

The 2009 Medical Plan will include the following changes:

. Emergency Room Co-pay - The co-pay will increase from \$60 to \$75 in 2009.

The co-pay will continue to apply only if the participant is admitted to the hospital. The estimated savings for this increase is \$50,000.

. HMO Adjustment Fee - Participants who elect an HMO as their Medical Plan provider in 2009 will be required to pay an HMO surcharge. This surcharge will apply to all Participants electing an HMO. The surcharge amounts will be:

Single - Pre-65: \$50  
 Family - Pre-65: \$100  
 Single - Post-65: \$25  
 Family - Post-65: \$50

The savings to the Plan is estimated to be \$2.4 million in 2009.

. Retiree contributions (premiums) - As negotiated in 2004, Retiree contributions increase by a minimum of 0.5% each year. Contributions are calculated on the amount of a Retiree's monthly pension and do not apply to those who retired before March 1, 1990. If no change to Retiree contributions had been negotiated for 2009 by the JRHC, the contributions would have increased pre-65 Retiree contributions to 9% - Single and 18% - Family. Contributions for post-65 Retirees would have increased to 6.5% - Single and 13% - Family. However, as we did in 2008, the Unions were successful in holding contributions steady for pre-65 Retirees at 8.5% - Single and 17% - Family. Contributions for post-65 Retirees will be reduced to 5.5% - Single and 11% - Family in 2009. Non-Medicare eligible retirees'

premiums will be 8.5% - Single and 17% - Family in 2009. Medicare-eligible Retiree contributions will be reduced to 5.5% - Single and 11% - Family in 2009. The lower contributions will result in a cost of \$4.9 million to the Plan.

. Dependent Verification Audit - The projected savings is conservatively estimated at \$1.6 million in 2009. Budco projected that 1000 ineligible dependents would be dropped as a result of this audit. This is not a one-time savings, but a savings to the Plan year after year.

It is important to understand that the Unions successfully lowered Retiree contributions only because the projected cost-savings of the Medco programs listed above are substantial. However, those projections are based on significant participation by Retirees and/or their dependents. Should participation fall below the projected numbers, the Unions will have to take up the slack in 2010 and beyond. On the other hand, if Retirees and/or their dependents fully participate in these programs, savings to the Plan should be significant and will not be limited to 2010, but will also apply in future years.

I'd like to thank you in advance for all of your support over the past few years. These negotiations are very difficult and the Unions work very hard to find ways to save the Plan money with minimal impact to the Retirees. Should you have any questions, please don't hesitate to e-mail me at [mflagge@cwa-union.org](mailto:mflagge@cwa-union.org).

In Unity,

Martha Flagge  
CWA Representative

Pete's Comments:

Alcatel-Lucent  
New CEO Ben Veerwayen  
RUSSO OUT, SERGE OUT, SCHAHT OUT  
Some new Board of Directors  
Lucent USA, LISLE  
2000 Workers to be moved to Naperville IL  
that has also 2000 Workers.  
Columbus, OH to be shut down, work moved to Mexico  
  
LAANPA  
Lucent, Agere, Avaya National Pensioners Association

are doing a mailing to IBEW Lucent Retirees in Illinois  
 The NRLN President Kaderiet testified at House  
 Education & Labor Committee Sept.25: 2008  
 on how Retirees are not treated right by Companies  
 The NRLN represents Retirees 2 Million from many  
 Fortune 500 Companies:

At Merger in 2006  
 Alcatel Lucent Stock was \$15.37, now almost 2 yrs. later  
 Alcatel Lucent Price 10-10-08 \$ 2.33  
 Yet RUSSO leaves with a golden Parachute of close to  
 8 Million Dollars and a large Pension.

We as Lucent Retirees need to work on changing  
 Medicare Part D Legislation so the Government Subsidy  
 goes to the Healthcare Fund and NOT to Lucent the Plan  
 Sponsor.  
 That Subsidy of between 10 & 60 Million Dollars per YR  
 could go a long way to make up the Healthcare Shortfall.  
 And stop Lucent from draining Money from Retirees  
 Pension Fund and using it for their Benefit.  
 Because the formerly represented Healthcare costs are paid  
 for by Pension Fund Transfers and Retirees Premiums,  
 NOT from Company Money.  
 I wanted Bryan to come talk to us today, because if we  
 don't come close to the Prescription Plan Changes Saving  
 we could have substantial Premium Increases in 2010.

**AVAYA AND CSMI NEWS:** Edie Riestler reported when  
 you get your packets in the mail check them out to  
 see if they are correct. If there are any  
 discrepancies call the number inside of the packet  
 to verify. The CSMI Union Hotline is 697-7746.  
 They have begun bargaining, the company made their  
 proposals and the union made their proposals. If  
 you have any questions you may contact Jay Vick -  
 telephone # 691-2705 at any time.

**AFL-CIO LETTER:** Lyle received a letter from the  
 AFL-CIO and they are having a Pancake Breakfast on  
 Sunday, October 26<sup>th</sup> from 8 AM - Noon. A donation  
 per family is \$10.00 (5 members) and a single is  
 \$3.00 per person. Location is 5418 S. 27<sup>th</sup> St.  
 Lyle has extra tickets if you are interested.

**INTRODUCTION OF SPEAKER:** Lyle introduced Bryan  
 Flickinger, Lucent Healthcare Coordinator.

**There are less than 300 IBEW members now, less than 3,000 CWA members now and there are 110,000 retirees now.**

The changes to expect next year are:

Prescription Drug Plan changes for 2009—

1. Once again we will implement the My Rx Choices program which will provide participants with ongoing cost saving opportunities. Although not mandatory, this program will provide lower cost alternatives to current medications many of our retirees currently take. Participants will receive details in the mail soon. This program can potentially save more than \$1 million.
2. Implement RRA program which essentially helps take advantage of the cost saving mail order program. This is not a mandatory mail order program. Participants will continue to be allowed retail service for maintenance drugs but after the third fill they will be required to pay higher copay for retail. This program could potentially save \$2.1 million or more if used effectively by retirees.
3. Add additional drug classes to the generic and preferred drug step therapy programs already in place. This program simply insures that participants try lower cost generics or lower cost brands before the higher cost brands that may have been prescribed. Studies have found that physicians prescribe certain brands for several reasons such as drug companies providing incentives for them to do so or even simply out of habit. If the doctor makes the decision that the higher cost drug is medically necessary it will be allowed. This program could possibly save \$3.4 million in 2009.
4. Add additional drug classes to current coverage authorization and quantity/dose optimization programs. For the current 12 drug classes, this program saved nearly \$4.4 million in 2007 so by adding another 11 drug classes, the retirees could potentially save an additional \$2.6 million or more in 2009.
5. The retirees will also benefit from a co pay waiver program in 2009. This program will provide eligible participants a co pay waiver for a first time prescription that is changed from retail to mail order and is potentially worth nearly a half million dollars.
6. There will be a slight increase in prescription drug co pays but only to the 4<sup>th</sup> Tier which will increase by \$5 dollars. Tier 1, 2 and 3 co pays will remain steady. Co pays for 2009 will be \$10 for Tier 1 generics, \$25 for Tier 2 brand, \$35 for Tier 3 brand, and \$55 (currently \$50) for Tier 4 brand. Drugs in Tier 4 have a generic equivalent and by raising the co pay in this Tier alone could save nearly \$6 million.

Medical Plan changes for 2009—

The only change to the medical plan for next year will be in the co pay for Emergency Room visits. The current co pay is \$60 which will increase to \$75 in 2009. As is currently the case, the co pay does not apply if the emergency room visit results in the participant being admitted to the hospital.

Retiree contributions (premiums) for 2009—

The union JRHC committee members heard loud and clear from retirees that we needed to try to address the already difficult premiums that are again set to increase a minimum of a half percent for singles and a full percent for family coverage. Although Alcatel-Lucent management was dead set against the idea, with the possible savings I mentioned above we were successful in our attempt to lower premiums for our retirees in 2009. The comparison of what was scheduled to happen and what we were able to accomplish are listed below:

Scheduled for 2009 with the half percent increase to single and full percent increase to family would have increased premiums to 9% Single-18% Family for non Medicare eligible retirees and for Medicare eligible retirees the scheduled increase would have put premiums at 6 ½% Single-13% Family. As you all know these percents are based off of one's monthly pension and do not apply to those who retired before March 1, 1990.

The good news is we reduced the non Medicare eligible retiree's premiums for 2009 to 8 ½ % Single and 17% Family and for Medicare eligible retirees the premiums will be reduced to 5 ½% Single and 11% Family.

Please understand this is possible only because of the programs I've listed above and the participation by our retirees in these programs. If the programs are not used and do not produce the savings needed then 2010 may not look as promising, on the other hand since the projected savings are on the conservative side there are greater savings possibilities if participation is high resulting in lower costs for 2010 and beyond. We need you to do your best in stressing the importance and I know we can count on each of you. Thank you in advance for your help and if any of you have questions do not hesitate contacting Bryan Flickinger at 1-877-878-5957 or 1-405-233-1012:

**Most of the changes are in the prescription drug plan. This is good news because we worked very hard for these changes. Anything you do to save money is very important. Bryan got several calls on how much did our pension drop?**



There is going to be a big push for your prescription drugs being sent through a mail order. If you don't go to a mail order, allowances or your co pays double. Mail orders are probably the biggest savings. It is called Refill Allowance. They have fixed most of the problems. The Dr. doesn't order a 90 day supply is the number one problem. Actually the Doctor writes out a 30 day supply instead of a 90 day supply. Other problems are; they don't arrive in time, especially those high maintenance drugs such as for high blood pressure medicines, diabetes medicines, medicines that you take for long periods, est. Don't hesitate to call Bryan at 877-878-5957 if you have any problems. (Bryan doesn't click over, either call back or leave a message if you don't get him on your phone. Leave your telephone number and he will get back with you. You will get a letter to which prescriptions they are talking about. It will come to your house.

The changes to expect next year are: Everyone got a copy of this flyer.

Prescription Drug Plan changes for 2009—

**Answers after each change is Bryan's statements:**

1. Once again we will implement the My Rx Choices program which will provide participants with ongoing cost saving opportunities. Although not mandatory, this program will provide lower cost alternatives to current medications many of our retirees currently take. Participants will receive details in the mail soon. This program can potentially save more than \$1 million.

**Generics are cheaper and most of time the Doctor just doesn't know about your situation on your prescription drug plan.**

2. Implement RRA program which essentially helps take advantage of the cost saving mail order program. This is not a mandatory mail order program. Participants will continue to be allowed retail service for maintenance drugs but after the third fill they will be required to pay higher co pay for retail. This program could potentially save \$2.1 million or more if used effectively by retirees.

**For Therapy programs they have certain conditions. Call if you can't use certain drugs because Medco requires the Doctor to explain why you can't use the generic drug. It is for safety as well as for money reasons.**

3. Add additional drug classes to the generic and preferred drug step therapy programs already in place. This program simply insures that participants try lower cost generics or lower cost brands before the higher cost brands that may have been prescribed. Studies have found that physicians prescribe certain brands for several reasons such as drug companies providing incentives for them to do so or even simply out of habit. If the doctor makes the decision that the higher cost drug is medically necessary it will be allowed. This program could possibly save \$3.4 million in 2009.

**Co pay: Generics - Switching over to mail orders. Medco makes their bonuses by saving them over all.**

4. Add additional drug classes to current coverage authorization and quantity/dose optimization programs: For the current 12 drug classes, this program saved nearly \$4.4 million in 2007 so by adding another 11 drug classes, the retirees could potentially save an additional \$2.6 million or more in 2009.

5. The retirees will also benefit from a co pay waiver program in 2009. This program will provide eligible participants a co pay waiver for a first time prescription that is changed from retail to mail order and is potentially worth nearly a half million dollars.

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**4<sup>th</sup> Tier on condition: It does have a generic. Some of these are a hassle, but remember the cost over all. You should try to keep the cost down every way you can. Bryan recommends that you try the mail order program.**

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above we were successful in our attempt to lower premiums for our retirees in 2009. The comparison of what was scheduled to happen and what we were able to accomplish are listed below:

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Please understand this is possible only because of the programs I've listed above and the participation by our retirees in these programs. If the programs are not used and do not produce the savings needed then 2010 may not look as promising, on the other hand since the projected savings are on the conservative side there are greater savings possibilities if participation is high resulting in lower costs for 2010 and beyond. We need you to do your best in stressing the importance and I know we can count on each of you. Thank you in advance for your help and if any of you have questions do not hesitate contacting Bryan Flickinger at 1-877-878-5957 or 1-405-233-1012.

**Open Enrollment Packages: First pages you have are your default pages. Make sure your default is correct.**

**If you are not Medicare eligible then you can opt in to a POS. You have to call in for changes.**

**OCC coverage: You will see this on your pension checks. You can lesson the amount, but you cannot go up. \$50,000 is the start, you get to purchase more. Very few use the \$50,000 amount. United Health Care will pick up if it is out of the normal range.**

**A little more about the meetings they have - JRHC. Main drive is the costs this year. If Medco isn't as important to you as prescription drugs - call Bryan.**

### **Life Insurance:**

*Lucent Technologies Inc. Life Insurance Plans for Retired Employees*

*Effective 1/1/2001, Updated 1/29/2001 Page 12*

*This information is intended for Lucent Plan participants.*

*More detailed information is provided in the official Plan documents which are controlling.*

## COVERAGE AMOUNTS UNDER THE PLAN

### **Basic Coverage**

In general, the company provides you with basic life insurance coverage during retirement of one times your **total annual pay**.

Before January 1, 2000, the Lucent Technologies Inc. Life Insurance Plans for Management Employees offered an election of one-half times pay for basic life insurance. Management employees who elected basic life insurance coverage at one-half times pay while actively employed had this coverage level automatically increased to one times pay during retirement.

Beginning at age 66, the amount of your basic life insurance coverage is subject to reduction. The amount of reduction depends on the year you retired and whether you retired before or after age 65 (your **normal retirement date**).

### **If You Retired at Age 65 or Earlier and You...**

**...Retired On or After August 7, 1977**, your basic coverage is reduced by 10% beginning on the first of the month following your 66th birthday. Thereafter, your basic coverage is reduced annually for the next four years (up to the first of the month following your 70th birthday) by the same dollar amount of the initial reduction.

For example, if you had \$40,000 of basic coverage at retirement, beginning on the first of the month following your 66th birthday, your coverage would reduce \$4,000 per year as follows:

#### **Age Amount of**

#### **Reduction**

#### **Your Basic Coverage**

#### **Amount**

66	\$4,000	\$36,000
67	\$4,000	\$32,000
68	\$4,000	\$28,000
69	\$4,000	\$24,000
70	\$4,000	\$20,000

After age 70, the amount of your basic coverage is equal to 50% of the basic coverage you had at the time of your retirement, but never less than \$1,500. This coverage remains in force for the rest of your life, with no further reductions.

**...Retired On or After the Effective Date of the AT&T Group Life Insurance Plan** (see next section) **and Before August 7, 1977**, your basic coverage was

*Lucent Technologies Inc. Life Insurance Plans for Retired Employees*

*Effective 1/1/2001, Updated 1/29/2001 Page 13*

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reduced 10% each year on the anniversary date of your retirement, up to a maximum of 50% of the basic coverage you had when you retired. Beginning August 7, 1977, reductions were taken in accordance with the schedule for former employees who retired on or after August 7, 1977 (see "If You Retired at Age 65 or Earlier and You Retired on or After August 7, 1977").

**...Retired Before the Effective Date of the AT&T Group Life Insurance Plan** (see next section), your basic coverage is 50% of your **total annual pay** at retirement, with a maximum basic coverage of \$5,000 and a minimum of \$1,500.

However, if the payee is someone other than your lawful spouse, children (age 18 or younger), or parents, the maximum amount payable is \$1,500.

**Effective Date of the AT&T Group Life Insurance Plan**

The AT&T Group Life Insurance Plan was effective on:

- *December 1, 1956* for employees of the Bell Telephone Laboratories, Inc. and Western Electric Company, Inc.,
- *January 24, 1957* for employees of 195 Broadway Corporation,
- *March 22, 1957* for employees of American Telephone and Telegraph Company--General Departments and Long Lines, and
- *May 1, 1957* for employees of Eastern Telephone and Telegraph Company.

**If You Worked Beyond Age 65 and You...**

...**Retired On or After January 1, 1979 but Before August 10, 1980**, your basic life insurance coverage is equal to 50% of the basic coverage you had at age 65, but never less than \$1,500.

...**Retired On or After August 10, 1980**, your basic life insurance coverage began to reduce 10% a year while you were working, beginning on the first of the month following your 66th birthday. This annual reduction will continue through the first of the month following your 70th birthday. (See example in "If You Retired at Age 65 or Earlier and You Retired on or After August 7, 1977"). After age 70, the amount of your basic coverage is equal to 50% of the basic coverage you had at the time of your retirement, but never less than \$1,500. This coverage remains in force for the rest of your life, with no further reductions.

*Lucent Technologies Inc. Life Insurance Plans for Retired Employees*

*Effective 1/1/2001, Updated 1/29/2001 Page 14*

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**If You Retired Under a Deferred Vested Pension**

Former employees who left the company with a deferred vested pension are not eligible for life insurance benefits under this Plan.

**Supplementary Coverage**

If you have supplementary coverage at the time of your retirement and you are under age 65, you will automatically have the same amount of coverage during retirement unless you contact the Insurer (see "Important Contacts") to decrease the amount of or to cancel this coverage. If you decrease the amount of or cancel coverage, the change will take effect on the first of the month after your reduction or cancellation form is received by the Insurer. You cannot increase or elect this coverage.

If you keep your supplementary coverage, contributions are automatically deducted from your monthly pension check.

All supplementary coverage ends on the last day of the month in which you reach age 65, or retire, whichever is later.

The amount of coverage will depend on the amount for which you were last enrolled as an active employee and is determined by the following schedule:

**Death Benefit is a year's salary through the pension service.**

Questions:

1. Are the 26 million shortfalls before or after the 25 million from 2004 bargaining is applied?

Answer: After deferring three months of 2007 actual billing, this total is before the 25 million available from the trust. That's why there were so few changes for 2009. We try every year to make the plan more efficient and overall fair, so you will see those kinds of changes regularly.

2. By raising the out of pocket maximum from \$1250 to \$1500 in 2009 saves the plan but cost the retiree \$5.8 million. That means 23,000 retirees or dependents co pays exceed \$1500 per year for their prescriptions.

Answer: Yes, some of the cost will be shifted to the retiree that uses more than \$1250 of drugs per year. The \$1500 is in line with the OOP max for healthcare.

3. Lowering retiree's premiums by 0.5% cost the plan 4.9 millions; is this for over 65 or only over 65 (Medicare eligible)?

Answer: Only the premium for those Medicare B eligible was reduced by .5%. Premium amount is driven by the eligibility regardless of age or Medicare eligible stayed the same.

4. If buying a \$4.00 prescription at drugstore. Does this help save money for the trust fund?

Answer: A Medco you can max prices. Prices are set. If you save money at Target or Walgreens and it saves you money, you can do that. One problem if those pharmacies don't know you are on the Medco plan. If Medco don't know all the prescriptions you're taking. If Medco don't know all the prescriptions you're taking they don't know if those prescriptions might harm you.

5. If a person's spouse was pushed out of health Coverage because of not sending in the Dependent Verification: Can they get her back in the program at Open Enrollment?

Answer: The reason that they did the Dependent Verification was because of the unions. They did not push anyone out that should be there. It was to identify those like; x spouses, those that really were not eligible, this takes care of those issues we had. This saved money on our premiums. They found 4,000 people that are not eligible for the plan. You should not be paying for those that shouldn't be there. Some of these people can reapply. Call now, before the end of this year to straighten up all ineligible dependents. The number to call is all over your Open Enrollment Package.

6. Do we lose prescription coverage if we drop United Health Care?

Answer: Yes, it is a package deal. Be very careful about that. You lose your Medicare reimbursements.

7. Will Medco match the prices that WalMart and Others are charging.

Answer: No, they don't match the prices.

8. What is the Crossover? Is it needed?

Answer: The Medicare crossover lets Medicare and United Health Care know you have crossed over. You must call United Health Care. Medicare is your primary care, UHC is secondary. UHC won't pay anything until you reach your deductible. There is a lot of Supplemental Insurances out there. Be careful of the costs. Make sure this is right for you. If you are paying more than the Lucent coverage you can come back into the Lucent plan. Know what you're purchasing!

9. Is the page labeled 'Default'?
- Answer: Yes it is!
10. When moving into a state, NE, which has a POS program and you are under age 65 can you enroll in that POS plan where you have been in the United Health Care traditional plan?
- Answer: Yes you can.
11. Review POS (Opt in): Where can I get info on this?
- Answer: Call the Benefit Office either during Open Enrollment if you are not Medicare eligible.
12. Can a Medicare retiree drop all medical but the drug program? If so what is the cost?
- Answer: No, you don't have to use the medical But you can't split the cost!
13. Can a 90 day supply be ordered from a retail pharmacy for generics when they are less money than Medco?
- Answer: Yes, it is a packaged deal!

When out of pocket goes up it will cost you more, but we went with the fairest way!

There are those that still won't use generics. If it didn't work for you at one time, try again. It will cost you much less money and do check with you're Doctor.

It is very important to save money on the drug program and there is a dramatic difference!

Troy Johnson has been reassigned and Randy Middleton will be in this position.

Frank Possinger was recognized as a member of our retirees from out of state that attended our meeting.

INFORMATION BOOKS: Howard had these books sent to him for your convenience. Nebraska's is the Benefit and Resource Guide for Older Nebraskans and



Everett picked the Iowa books up for the Iowans - Power of Attorney Handbook for your convenience.

TENTATIVE MEETING NOTICE/CONTACT DIRECTORY: We just got notice that we definitely have the Union Hall for those dates stated on the flyer. Going to just the 10 AM meeting has not been finalized yet. The E-Board has to discuss this further and vote on it.

PLANNING FOR THE UNEXPECTED: It took about 6 days to complete this document: This covers just practically everything that you may want to have to leave for those that have to take care of your arrangements. They are very important and we still have more for sale up here on our platform for you to pick up one or more up for \$1.00 each. Pick up one for your children if you wish. We took orders from the 1 PM meeting because those that we had were all sold at the 10 AM meeting.

We have more business to do on the legislation for the Medicare D subsidy. The Healthcare cost is paid by pension transfers and retiree's premiums. Healthcare legislation needs to be amended for the Medicare Part D subsidy. We need work to get this little loophole cleared up.

MEETINGS WERE ADJOURNED:

