

## **Health care cost sharing to increase slightly**

CLEVELAND, October 31 — Rail worker cost-sharing contributions toward health and welfare coverage will increase slightly next year, but the increase will not be as much as originally anticipated.

The monthly contribution will increase from \$166.25 per month to \$170.96 per month beginning January 1, 2009. However, it was expected that the rate would increase to as much as \$192 per month.

Health care for all rail labor unions is negotiated jointly through the Cooperating Railway Labor Organizations (CRLO). CRLO is a joint policy holder with the carriers of the Railroad Employees National Health and Welfare Plan, and participates in annual rate-setting meetings on an equal footing with the carriers.

According to the CRLO, the favorable trend in the medical premium for 2009 is in large part due to the removal of almost 20,000 ineligible dependents from the Plan through the recent eligibility audit — a savings of about \$30 million for 2009.

In addition, medical claims are predicted to increase at a far lower rate than the national average of all insurance plans due to the implementation of several significant plan improvements, such as Nurse Line, Custom Care Coordination, Disease management, Integrated Behavioral Health, and Wellness Programs (Healthy Weight and Smoking Cessation). All of these changes are designed to improve the health and medical treatment of participants, and thereby reduce the frequency and severity of illness.

The monthly premium rate for the medical portion of the Plan increased a very modest 2.1% to \$1,061.46. The Life and Accidental Death and Dismemberment premium decreased 10% to \$12.30, while the Dental Plan rate increased by 23.3% to \$55.98. The Vision Plan rate remained the same at \$10.00.

Employee cost-sharing amounts were set by the 2007 National Agreements at 15% of the premium rates for the above four components of members' insurance coverage (Medical, Life, Dental and Vision). The total amount of the four components for 2009 is \$1,139.74, which is an increase of \$31.40, or 2.8% over 2008. The 2009 cost-sharing amount is thus 15% of \$1,139.74, or \$170.96, an increase of \$4.71 over the current amount of \$166.25.

"Our cost-sharing increase was far lower than expected and well below the national average, which is a significant accomplishment," said BLET National President Ed Rodzwick. "The BLET will continue to work diligently along with the CRLO to keep employee cost sharing to a minimum while moving ahead with the constant improvement of our membership's benefits."

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[bentley@ble.org](mailto:bentley@ble.org)