



National Association
of Letter Carriers

William H. Young, President

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NALC Bulletin

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Implementation Proceeding for Interim Adjustment Process

New MOU Rolled Out, National Training Underway

NALC and the United States Postal Service are proceeding with the implementation of the Memorandum of Understanding regarding the Interim Alternate Route Adjustment Process. The MOU, signed on October 22, creates a joint process for evaluating city carrier routes between now and mid-January, with adjustments to begin as early as January 5, 2009. It gives NALC a formal role in adjusting routes in the wake of a significant decline in mail volume in recent months due to the national economic crisis, will help reduce pivoting and opens the way for the assignment of new deliveries to city carriers under a separate MOU signed on the same day.

National web-based training on the new process began on October 31. A second session was held on November 18, with another planned for November 25. Each training session was aimed at preparing joint district teams chartered by the parties to implement the interim process.

“Naturally, rolling out any national process will involve implementation problems and will require some patience by our members,” President William H. Young acknowledged. “However, we anticipated these problems and are working our way through them,” he added. “We have had excellent cooperation from postal management at the national level and fully expect to implement the new adjustment process successfully,” he said.

The union’s main goal at present is to ensure that an adequate number of joint teams are established to handle all the work sites targeted for adjustments under the interim process. NALC Executive Vice President Fred Rolando is leading the union’s efforts to fairly adjust routes across the country. “NALC is committed to protecting the rights and interests of every city letter carrier while fulfilling our obligations under the MOU,” he said.

COLAs Hit by Falling Prices

Falling consumer prices — which plunged in October by the largest amount in the 61-year history of the Consumer Price Index — mean that neither actives nor retirees have accrued any amount toward their next COLAs. The projected COLA for FECA beneficiaries declined because the CPI dropped.

October marked the third straight month in which prices have declined, reflecting the dramatic fall in energy prices and the worsening economy.

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) stood at 632.025 in October, significantly less than the level of 644.303 in July, which triggered the third COLA for active carriers under the contract. The fourth COLA will be determined by the change in the CPI-W between July 2008 and January 2009.

The 2010 retiree COLA will be based on the increase in the CPI between the third quarter of 2008 and the third quarter of 2009. Due to the decline in the CPI, no accrual has been recorded. The 2009 COLAs for retirees (5.8% for CSRS and 4.8% for FERS) were announced previously.

The projected accumulation toward the 2009 FECA COLA declined from 4.4% last month to 3.1% this month due to the sharp decline in the October CPI. The FECA COLA will be set by the increase in the CPI-W between December 2007 and December 2008.

NALC Health Plan Starts Open Season with a Bang 2,027 New Members Join Plan in First Week!

The 2008 FEHBP Open Season began with a bang for the NALC Health Benefit Plan. In the first week, the HBP registered more than 2,000 new enrollees. As President Bill Young wrote in last month’s *Postal Record*, “Our plan offers excellent benefits for all our members and, with 20 **NEW** benefits and affordable premiums, you can’t go wrong. I urge all letter carriers to join the NALC Health Benefit Plan.”

Remarking on the initial results of the Open Season, HBP Director Timothy C. O’Malley noted: “This is just what we hoped for. The members know value when they see it; they see it in the Plan and are they are returning to their Health Plan.”

“We want to offer our sincerest thanks to all the State and Branch Officers, Shop Stewards and Health Benefit Representatives who help their fellow carriers by providing information about the Health Benefit Plan during Open Season,” O’Malley said. “You have had a great impact on the success of the Plan. Keep up the good work – its working!”

Increasing the membership in the Health Benefit Plan is a strategic objective of the NALC aimed at providing the best and most affordable care for our members and laying the groundwork for achieving major improvements in health benefits at the collective bargaining table.

NALC union members have until December 8 to become members, so there is still plenty of time to join.

For more information on the NALC Health Benefit Plan, call 1-888-636-NALC (6252) or visit our web site at www.nalc.org/department/hbp.

Open Season Information

- Searching to see if your doctor and hospital is part of the CIGNA HealthCare PPO Network is easy. Simply log onto the NALC website and go to the Health Benefit Plan page to access the CIGNA PPO Provider Locator — www.nalc.org/department/hbp. You can also phone our PPO Locator number at 1-877-220-NALC (6252) or the additional Open Season PPO Locator number at 1-800-564-7641. For general information on Plan benefits, please call 1-888-636-NALC (6252).
- There has been some confusion about the meaning of FEHBP’s “Five (5) Year Rule” regarding eligibility for retiree health benefits. You must be covered by a health plan in the Federal Employees Health Benefit Program for five years before you retire in order to continue coverage into retirement. However, the rule does **not** require that you must be in the **same** plan for the five years prior to retirement. The NALC HBP is the plan for active carriers, no matter how soon they expect to retire.
- The NALC Health Benefit Plan, like all FEHBP plans, accepts members with “pre-existing conditions.” Such conditions are not an obstacle to joining the NALC HBP.

Important Notice to All Branch Secretaries

If your branch’s biweekly dues are directly sent from National Headquarters to your branch’s bank for deposit, **PLEASE NOTE THE FOLLOWING:**

If your branch has changed banks and/or account numbers, it is important to notify the NALC Membership Department immediately at 202-393-4695. In addition, if your banking institution has experienced a name change, change of address, or a change in the bank routing number (check the first nine digits on your account), you should immediately contact the NALC Membership Department with all pertinent information. If the Membership Department is not made aware of such changes, there may be a delay or error in the deposit of the branch’s reimbursement check. Please follow-up any call to NALC’s Membership Department on this matter with a letter providing the same information. Letters must include the branch secretary’s signature.



Happy Thanksgiving