



National Association  
of Letter Carriers  
Fredric V. Rolando, President  
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# NALC Bulletin

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## 'Bad Policy, Bad Politics!'

## NALC Joins Teamsters, CWA, NEA and UFCW In Urging Senate to Drop Tax on Health Plans

### Joint Letter Delivered to Senate Majority Leader Reid

NALC President Fred Rolando, in a joint letter with leaders of four other major labor unions, urged Senate Majority Leader Harry Reid (D-NV) December 1 to seek an alternative in pending health care legislation to a proposed excise tax on health insurance plans that would unjustly penalize millions of middle-income workers.

Speaking for about 5 million members, the five labor leaders applauded Reid's dedication and sustained hard work in moving the health care reform agenda forward. But they said they were "deeply troubled" by the excise tax proposal affecting health care plans whose costs exceed certain benchmarks.

**"While we appreciate the significant challenges inherent in paying for quality health insurance reform we need and support, we continue to believe that an excise tax on [so-called 'Cadillac'] health care plans is both bad politics and bad policy,"** the five said. **"In fact, the tax would have a devastating impact on exactly the type of good, comprehensive health care plans reform should be promoting."**

Joining in the letter along with Rolando were Communications Workers President Larry Cohen, Teamsters President James P. Hoffa, United Food and Commercial Workers President Joseph T. Hansen, and National Education Association President Dennis Van Roekel.

Instead of curbing excessive benefits for executives, they said the tax would adversely impact millions of workers under collectively bargained health plans. While the tax technically is on insurance companies that offer plans above a certain threshold, this additional cost would simply be passed along to workers, the union leaders said.

**"Both employees in the private and public sectors could possibly have their benefits reduced or premiums raised," they warned.**

They pointed out that the excise tax would have a discriminatory impact on plans that cover older workers and retirees, or workers in high cost regions or high risk occupations, or plans primarily serving women. Moreover, the net result of the 40 percent excise tax would be to force many plans to cut back important benefits and encourage employers to cut back on family coverage.

"We know that health insurance reform can be paid for through cost savings both inside and outside of the health care system without a new excise tax on insurance plans," the five said. "As the debate moves forward, we urge you to continue to look for ways to eliminate the excise tax and develop a program that does not penalize our members."

## Rolando Tells *New York Times* Online Forum End of Saturday Delivery Would Hurt USPS

President Rolando was among five individuals asked by The New York Times to participate in an online forum November 29 to discuss the future of the Postal Service in the wake of its reported \$3.8 billion loss in Fiscal Year 2009 despite a 40,000 employees reduction in the workforce.

President Rolando used the opportunity to specifically discuss how the proposal of the Postal Service to end Saturday mail delivery doesn't make any economic sense.

Also engaging in the forum were Rick Geddes, associate professor in the Department of Policy Analysis and Management at Cornell University; Michael A. Crew, professor of Regulatory Economics at the School of Business, Rutgers University; Jeffrey Weiss, president and chief operating officer at American Greetings Corp., and Ruth Y. Goldway, chairman of the Postal Regulatory Commission.

**"Eliminating Saturday mail delivery is a bad idea," Rolando said. "America operates on a 24/7 schedule — moving to five-day delivery would permanently damage the economy. Not only would it cost thousands of jobs in the middle of a recession, but it would also irrevocably weaken the Postal Service once the economy recovers."**

Instead, Rolando said Congress should find ways to allow the Postal Service to provide a broader array of services.

"Tens of billions of invoices and payments move through the mail. Thousands, if not millions, of businesses and their customers rely on Saturday delivery — including fruit shippers, mail-order pharmacies and weekly news magazines," the NALC leader said. "Permanently down-sizing service to meet a depression-level of demand is premature and short-sighted."

**"What's more, the decision to move to five-day delivery makes no business sense," Rolando added, saying it won't save that much money in the short run and in the long run it will result in lost business and revenue.**

Rolando said Congress should explore alternatives, most notably, reducing the onerous cost of pre-funding future retiree health benefits. The law requires the Postal Service to pay more than \$5.5 billion per year over 10 years for these benefits, on top of the \$2 billion annual cost of insurance for current retirees.

Excerpts from the other forum participants:

#### Rick Geddes

"The Postal Service says it can save \$3 billion by cutting Saturday delivery.... The U.S. Postal Service is charged with meeting a break-even requirement. We can either give them the flexibility to meet that requirement as they see fit or face another huge taxpayer-financed bailout. I think they deserve our support."

#### Michael A. Crew

"The other major proposal to eliminate Saturday delivery could pose serious problems.... Currently the Postal Service 'owns' Saturdays as its competitors do not provide normal deliveries on a Saturday. Eliminating Saturdays may be a further blow to its competitiveness."

#### Ruth Y. Goldway

"The U.S. Postal Service is a national icon, part of the fabric of our society.... Is five-day-a-week mail delivery service good for America? The public deserves to have a fair say in determining the answer. The commission looks forward to providing the forum and leading the debate."

#### Jeffrey Weiss

"A good first step would be examining the possibility of Congress changing the payment schedule it imposed several years ago for financing future retiree costs. Next, both the Postal Service and the employee unions should work together to seek agreement on modest changes to work rules and the wage and benefit structure."

## Still Time To Enroll!

# Annual FEHB 'Open Season' Ends December 15 for Postal Employees

## Carriers Switching to NALC Health Benefit Plan



Only a few days remain before the end of 'Open Season,' the once-a-year period when federal and postal employees can enroll in or switch enrollment of a health benefit plan to protect themselves and their families.

As the 5 pm CT December 15 deadline nears for postal employees, reports received by the NALC Health Benefit Plan show that a significant number of NALC members are switching to the NALC Plan for 2010.

Interested letter carriers should complete the PostalEASE FEHB Worksheet included in the mailing sent by the USPS to their homes and enter enrollment information directly into PostalEASE via the USPS Web at <https://liteblue.usps.gov>, kiosk or telephone at 1-877-477-3273, option 1. (The Open Season period for retirees and federal employees ends on December 14.)

The NALC Plan is the one plan among those in the Federal Employees Health Benefit (FEHB) program that is owned and operated by the union that represents all city delivery letter carriers of the U.S. Postal Service. It was created 60 years ago with the best interests of letter carriers in mind, and that commitment remains today.

NALC Health Benefit Director Timothy C. O'Malley said as the NALC Bulletin was going to press that a net increase of 1,716 new members has been achieved to date in the enrollment campaign.

"The phones are jumping off the hook as potential members are calling the Plan," O'Malley said.

**O'Malley urged branch presidents, shop stewards and Health Benefit Plan Representatives to make a final effort to talk to each NALC member about the many benefits of being enrolled in the NALC Plan in 2010.**

Members with any questions should go to the Plan's website: [www.nalchbp.org](http://www.nalchbp.org) for additional information and to view a new Open Season video about the Plan, or contact their branch Health Benefits Representative or call the Plan at 1-888-636-NALC (6252).

The 2010 Plan has been upgraded in many areas including 100 percent payment for covered lab services when enrollees use either LabCorp or Quest Diagnostics services, and the Plan will pay 100 percent for preventive services when enrollees use a PPO provider, as well as a \$15 copayment for PPO office visits.

O'Malley emphasized that the best value in the Plan is for those who stay within the PPO network when visiting a hospital or physician. By choosing care within the PPO network, members receive discounts on covered services and supplies, higher levels of benefit reimbursements and lower out-of-pocket costs, as well as preventive tests and screenings at no cost.

## Deadline for Electronic Convention Registration

Branches with 500 or more members that wish to electronically register their delegates for the Anaheim convention next August must return the postcard sent to them with the Convention Call no later than December 31, 2009.

The postcards — limited to branches with 500 or more members — should be returned to Secretary-Treasurer Jane E. Broendel at NALC Headquarters.

# 2009 'Gimme 5 for COLCPE' Contest Nears Conclusion on December 31

## Last Chance for Members to Win \$1,000 Gift Card

December 31 is the deadline for NALC members to sign up for the union's 'Gimme 5 for COLCPE' program and have an opportunity to be one of seven lucky individuals to win a \$1,000 American Express gift card.

Five winners will be selected by lottery from the five top branches in membership categories in the campaign during 2009 for members who donate \$5 or more in each pay period or monthly annuity payments by automatic deduction, or by electronic funds transfer from their checking accounts.

The five branches with the highest percentage of members who are Gimme 5 contributors in their size category as of December 31 will qualify for the raffles.

NALC President Rolando said contributions to the union's Committee on Letter Carriers Political Education (COLCPE) are used to help elect members of the Senate and House who care about working families.

**"The future of the Postal Service and our jobs rests in the hands of our elected officials," Rolando said. "Your contributions are essential in helping to back Republicans, Democrats and independents who support letter carriers' issues, and to help finance get-out-the-vote efforts and other political and legislative activities."**

Absolutely no union dues money is used to support political candidates.

The five branch membership categories are: 2,000 or more members; 1,000 to 1,999 members; 500 to 999 members; 100 to 499 members, and 50 to 99 members.

Each winning branch will conduct a raffle among all of its Gimme 5 members and the winner will receive a \$1,000 American Express gift card. In addition, the five winning branches will each receive laptop computers for branch use, and the COLCPE coordinators of each winning branch will receive a \$200 gift card upon completion of a report on their branch's winning strategy.

There also will be a special prize for a branch recording the most growth in percentage of automatic contributors during the contest months. That branch will stage a \$1,000 raffle for eligible members, receive a laptop, and the COLCPE coordinator will receive a gift certificate. (The branch winning this special prize must not have won in its size category in the general competition.)

Also, all Gimme 5 contributors in branches with 49 or fewer members will be entered into a separate raffle, with one lucky winner drawn for a \$1,000 gift card.

**Winning branches will be announced in the February 2010 Postal Record, the annual COLCPE recognition issue.**

