



# International Brotherhood of Electrical Workers

## LOCAL UNION NO. 1974



13306 STEVENS STREET • OMAHA, NEBRASKA 68137 • TELEPHONE (402) 895-4080 • FAX (402) 895-1828

### Officers

Frank P. Possinger..... President  
Marlene Wilson ..... Vice President  
Sparky Bruning..... Recording Secretary  
Edie Riester..... Financial Secretary  
Sam D. Martin ..... Treasurer

### Union Meetings

Third Thursday of Each Month  
Third Shift — 8:45 a.m.  
Second Shift — 2:00 p.m.  
First Shift — 4:15 p.m.

### Executive Board

Marlene Majeski, Chairman  
Jim Filipiak  
Mike Kelly  
Rick Madej  
Jim Pabian

June 25, 1995

TO: ALL UNION MEMBERS

<u>WAGES:</u>	3.6% at top.	5-28-95
	3.5% at top.	5-25-96
	3.4% at top.	5-24-97

NOTE: Any employee on the active payroll on the effective date of any of the three aforementioned Wage Increases shall receive, at a minimum, an increase as follows:

.15 per hour

SIGNING BONUS: \$1,000 to be paid up to four weeks beyond August 1, 1995.

NOTE: Subject to federal, state and local tax and FICA withholding. Savings Plan -- (if you are in the savings plan), subject to Savings Plan Deduction. Must be on the active roll as of August 1, 1995.

### SHARES FOR GROWTH:

(a) Effective: March 11, 1996 -- \$800.

NOTE: Employees must be on the active roll as of March 1, 1996 and have an NCS date of March 1, 1995, or earlier to be eligible to receive the March 11, 1996 Award.

(b) Effective: March 10, 1997 -- \$800.

NOTE: Employees must be on the active roll as of March 1, 1997 and have an NCS date of March 1, 1996, or earlier to be eligible to receive the March 10, 1997 Award.

(c) Effective: March 10, 1998 -- \$800.

NOTE: Employees must be on the active roll as of March 1, 1998 and have an NCS date of March 1, 1997 or earlier to be eligible to receive the March 10, 1998 Award.

Such awards shall be used to purchase AT&T stock under the Shares for Growth Program as provided herein.

Any portion or all of the March 10, 1998 Award may be used to fund a Gain Sharing Program that may be bargained by any Business Unit, Division or Group during the life of the 1995 Agreement.

NOTE: For the twelve (12) month period following such Award, the Award will enter into:

- (a) Computations of pay for overtime worked;
- (b) Calculation of the following benefit payments or allotments:
  - 1. Group Life Insurance (Basic, Supplementary, Accidental Death & Dismembership and Accidental Loss).
  - 2. Death Benefits.
- (c) The Award shall be subject to LTSSP Allotment deductions as follows:
  - 1. Award amount divided by weekly adjusted rate of pay on March 1, 1996, March 1, 1997 and March 1, 1998, as applicable, rounded to nearest whole number, times employees then current weekly LTSSP Allotment.
- (d) Award amounts shall be subject to federal, state and local tax and FICA withholding.

#### MEDICAL EXPENSE PLAN

##### PRESCRIPTION DRUG PLAN:

Effective: January 1, 1996:

- No deductible; \$750 annual cap on out-of-pocket costs.
- All prescription drugs covered at 100% after copay.
- Thirty-four (34) day supply at \$10 copay for brand name; \$5/generic.
- Mail order plan offers 90-day supply at \$15 copay for name brand; \$8/generic.

##### IN-NETWORK BENEFITS CHANGES:

- Deductibles eliminated; replaced with \$10 copayments for visits to doctors, specialists and other practitioners.
- 100% reimbursement for all services, including all hospital days, surgery and inpatient medical care.
- Out-of-pocket maximum reduced from \$1,000 to \$750 per person for in-network usage.
- New coverage for routine physical exams, well baby care, preventive mammograms and other prevention care; nutritionists, acupuncturists, hospice and air ambulance.
- Day limits on hospital alternatives (e.g., home health care and extended care facilities) eliminated.



#### OUT-OF-NETWORK BENEFITS CHANGES:

Effective: January 1, 1996:

- Annual deductible increased from \$200 per person to \$400 per person; \$400 per family to \$800 per family; the higher deductible for employees with base pay over \$50,000 is eliminated.
- Annual out-of-pocket maximum increased to \$2,500 per person from \$1,000 with a family maximum of \$5,000.
- New copayments of \$150 per hospital admission and \$40 for emergency room usage implemented.
- Individual \$1 million lifetime maximum implemented.
- Day limits on hospital alternatives reduced by half.
- New coverages include hospice care, air ambulance, speech therapy, acupuncturist and preventive mammograms.

#### OUT-OF-NETWORK AREA BENEFITS CHANGES:

Effective: January 1, 1997:

- Coverage for surgical care, in-patient doctor visits and consultations, newborn care, in-hospital services beyond 120 days have been increased to 100%.
- Annual deductibles increased to \$200 per person and \$600 per family from \$150/\$450; the higher deductibles for employees with annual base pay over \$50,000 has been eliminated.

#### MENTAL HEALTH/CHEMICAL DEPENDENCY:

Effective: January 1, 1996:

- No deductible for in-network services; annual out-of-pocket costs limited to \$750 per person.
- 100% hospitalization with no copays for the first 10 days and \$10 daily copays thereafter.
- Alternative treatment facilities, previously not covered under the same terms as hospitalization for up to 120 days.
- 100% coverage of outpatient care for the first 10 visits, and \$10 copay per visit thereafter.
- New coverage of psychiatric social workers available through network.

#### OUT-OF-NETWORK MENTAL HEALTH/CHEMICAL DEPENDENCY BENEFITS:

- Deductible of \$200 per person with no annual out-of-pocket maximum.
- 30 days of hospitalization at 50% after \$500 per admission copay and deductible.
- Alternative treatment facilities not covered.
- 60 outpatients visits at 50% after the deductible.

#### CLASS I AND CLASS II DEPENDENT ELIGIBILITY CHANGES:

Effective: January 1, 1996:

Class I dependent children are covered until the end of the year in which they reach age 23 regardless of student status.

Class II dependents annual income level criteria is raised to \$12,000. Class II dependents who are not enrolled as of January 1, 1996 are not eligible.

#### CENTERS OF EXCELLENCE:

Effective: January 1, 1996:

Coverage available for non-experimental transplant surgeries (i.e., heart, kidney, liver, lung, pancreas and bone marrow treatments) at Centers of Excellence offered through the applicable Managed Care Network or MEP carrier. Coverage will include all pre and post-operative care, costs associated with the transplant for up to one year following the surgery, and reimbursement for certain travel expenses for the patient's lawful spouse or parent (i.e., up to \$50 per eligible family member per night for lodging; airplane coach fare if Center of Excellence is farther than 50 miles from home; up to 9 cents per mile if a personal automobile is used; total travel and lodging is limited to \$10,000 per transplant.

#### HOSPICE:

Effective: January 1, 1996:

The medical expense plan will provide coverage for hospice care, including inpatient services in a hospice facility (room, board, nursing care and medical supplies); outpatient services in the patient's home as part of a hospice care program. counseling services for the patient and family members; and bereavement counseling for the patient's immediate family.

#### LIVING BENEFIT OPTION:

Effective January 1, 1996:

Under the basic and supplementary group life programs, allows terminally ill patients who have six months or less to live to receive 50% of their life insurance and leave the remainder to their estate up to a maximum of \$250,000. (Applies to active and retired under 65.)

#### DENTAL EXPENSE PLAN:

Effective: January 1, 1997:

The plan for active employees will be amended to increase the Schedule for Type B services 20% for all covered services.



## PENSIONS

### PENSION PLAN:

Effective: July 1, 1995:

The Pension Plan will be improved by increasing pension bands 12% across the board. The new amounts will be effective for those persons retiring on or after May 28, 1995.

### PENSION ASSET TRANSFER:

Bargained to provide health care in the future for our members:

Effective: January 1, 1996, the Company may transfer excess pension assets from the AT&T Pension Plan, for each of the calendar years 1996, 1997 and 1998, to a separate account which has been established as part of the Plan. The excess pension assets that are transferred are to be used only to pay qualified current retiree health liabilities (as defined in Section 420 (e) (1) of the Internal Revenue Code) for eligible retired occupational employees (and their spouses and eligible dependents).

### CURRENT RETIREE AND FUTURE RETIREE BENEFITS:

Retirees who retire(d) after 3-1-90 will have no out-of-pocket health care costs for the life of this agreement.

### RETIREE MEDICAL SPENDING ACCOUNTS:

Established for all retirees. Spending accounts can be used to reimburse retirees for eligible medical expenses, such as the medical plan contributions, managed care copayments, deductibles and coinsurance, amounts over reasonable and customary, prescription drug copayments, vision care benefits, out-of-pocket dental expenses, etc. The Company will make contributions to the account for 1997 and 1998.

### DENTAL EXPENSE PLAN FOR RETIREES:

Effective: January 1, 1996:

The retiree dental plan will be improved by increased fee schedules. January 1, 1997, retirees will receive same increase as active employees.

### EMPLOYEE STOCK PURCHASE PLAN:

July 1, 1996, providing you have six (6) months of service and employed more than twenty (20) hours, you will be able to participate in the Stock Purchase Plan. You can purchase shares of AT&T Common Stock at 15% below the average market price by deducting from 1% to 10% of your annual base wage through payroll deduction.

## SAVINGS AND SECURITY PLAN:

Amendments effective January 1, 1997:

- Daily valuation of participant accounts;
- Investment direction changes up to 12 times per year across all investment options in 20% increments (currently limited to 4 changes per year);
- No limitation on number of times past balances may be transferred among options in 5% increments (currently limited to 4 times per year);
- Employees eligible to participate after 6 months of service (currently 1 year), though company matching contributions do not commence until completion of 1 year of service.
- Vesting of company match after 5 years of service; such vesting to commence immediately if on employment rolls as of 9/30/96; (current provisions for class year vesting eliminated; the company match of 66 2/3% of employee contributions remains the same.)
- Loans, withdrawals and distributions to be available within 5 to 10 work days (currently takes from 30 to 70 days);
- A new band covering basic weekly wages of \$1,000 and over with an allotment option of \$55 will be added.
- New investment options: employer stock fund, AT&T stock fund, a U.S. fixed income fund, a U.S. Equity Fund, an International Securities Fund, 3 balanced funds and 3 mutual funds.
- The expenses of record keeping will be shared equally by the Company and the participants except that no employee will pay more than \$20 for 1997 and 1998 each.

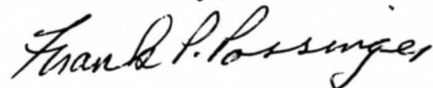
## TESTING:

A standing joint subcommittee on Testing will be formed with two representatives from each Union and four from the Company.

- If the Committee identifies a test currently in use which has not been authorized by the AT&T Testing Organization, the test will be suspended until reviewed.

ALL THE OFFICERS OF LOCAL 1974 THANK YOU FOR YOUR SUPPORT DURING THIS BARGAINING PROCESS. WE ALSO APPRECIATE YOUR ATTENDANCE TODAY AT THIS RATIFICATION MEETING.

Fraternally,



Frank P. Possinger  
President-Business Manager  
Local Union 1974, I.B.E.W.

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