



Association of Ameritech /SBC Retirees, Inc

Proudly representing retirees of the AT&T Midwest Region, SBC Midwest Region, Ameritech, and predecessor/successor Bell Companies of the New AT&T, located throughout the United States

Legislative Ledger

February 27, 2008 – AASBCR Attends NRLN Conference

President Carole Lovell and VP-Legislation Ray Sternot attended the National Retiree Legislative Network (NRLN) conference last month in Washington DC. They heard from and provided input to various Congressional staff and committee representatives about retiree healthcare and pensions and met with several panels on what is happening and being planned by our legislators. All of the AT&T Retiree Group Coalition (AASBCR, ACER, SNET and TELCO RETIREES) members were in attendance and were able to meet separately to continue to develop our approach to dealing with AT&T company issues impacting our members.

2008 and 2009 will be pivotal years for policy change affecting retirees. These changes are taking place at the National level with corporations lobbying members of Congress intensely trying to effect changes in their favor. The Legislative Committee of the NRLN was instrumental in developing the NRLN 2008 Legislative Agenda. AASBCR's VP-Legislation Ray Sternot is on that committee. He assures that AASBCR's views are well heard. The entire NRLN 2008 Legislative Agenda can be viewed at:

<http://www.aasbcr.org/2008legagenda.htm>

While there they also heard from a panel on the recent EEOC ruling of December 26, 2007 that is expected to impact retiree healthcare.

<http://www.eeoc.gov/press/12-26-07.html>

The rule was created as a result of a suit being filed against an employer. In that suit "The court held that the ADEA requires that the health insurance benefits received by Medicare-eligible retirees be the same, or cost the employer the same, as the health insurance benefits received by younger retirees." This legal decision caused the EEOC to issue a "final rule allowing employers that provide retiree health benefits to continue the longstanding practice of coordinating those benefits with Medicare (or comparable state health benefits) without violating the Age Discrimination in Employment Act (ADEA)."



Association of Ameritech /SBC Retirees, Inc

Proudly representing retirees of the AT&T Midwest Region, SBC Midwest Region, Ameritech, and predecessor/successor Bell Companies of the New AT&T, located throughout the United States

In effect this administrative interpretation of EEOC law allows companies to provide disparate healthcare coverage to retirees based on age (Medicare – 65 and older versus Non-Medicare eligible 64 and younger) without the risk of being sued based on equal opportunity laws.

The EEOC rationalizes this rule change by indicating that it protects healthcare for retirees under 65. In fact, they said in support of the final rule, “The ADEA authorizes the Commission to approve exemptions to the law in those instances when applying the law would be contrary to the public interest.” Yet, the rule needn’t prevent companies from cutting back on those benefits.

http://www.eeoc.gov/policy/docs/qanda_retireehealthrule.html

Bottom line is that the NRLN and its membership associations believe that the final EEOC rule will accelerate the trend to eliminate healthcare for all retirees because it removes the ability to challenge the rule based on age discrimination laws.

We encourage you to tell your non-AASBCR retiree friends about this rule change and the upcoming changes anticipated in Congress that will impact retiree benefits. We suggest that retirees become active - join AASBCR or an AT&T Coalition Retiree group that supports NRLN efforts in Washington to help address retiree issues.