

ARTICLE III – Health and Welfare

Part A – Plan Changes

Section 1 – Continuation of Plan

The Railroad Employees National Health and Welfare Plan (“the Plan”), The Railroad Employees National Dental Plan (“the Dental Plan”), The Railroad Employees National Vision Plan (“the Vision Plan”), modified as provided in this Article with respect to employees represented by the Organization and their eligible dependents, shall be continued subject to the provisions of the Railway Labor Act.

Section 2 – Plan Design Changes

The Plan’s Managed Care Program (“MMCP”) and the Comprehensive Health Care Benefit (CHCB) shall both be revised as follows:

- (a) Plan coverage for surviving dependents will be extended through the end of the sixth (6th) month following the month in which the employee dies.
- (b) Plan benefits will include male sterilization procedures (i.e., vasectomy), not including reversals.

The plan design changes contained in this Section shall become effective January 1, 2025, or as soon thereafter as practicable.

Section 3 – Plan Design Changes to Contain Costs

(a) The Plan’s Prescription Drug Card Program and Mail Order Prescription Drug Program shall be revised to include the PBM’s full utilization management rules package for specialty drugs and four additional non-specialty therapeutic classifications (anti-infective agents, central nervous system, gastroenterology and ophthalmology).

(b) The Plan shall implement improper billing detection and mitigation programs where available with the Plan’s medical vendors.

(c) The Plan shall implement out-of-network referenced-based pricing programs where available with the Plan’s medical vendors.

(d) The monthly payment for employees who elect to opt-out of coverage under the Plan will be increased from \$100 to \$200.

The plan design changes contained in this Section shall become effective January 1, 2025, or as soon thereafter as practicable thereafter.

Section 4 - Plan Design Changes – The Dental Plan

The individual annual maximum dental benefit under the Railroad Employees National Dental Plan will be increased from \$1,500 to \$2,500, and the individual lifetime maximum orthodontia benefit will be increased from \$1,000 to \$2,500.

The plan design changes contained in this Section shall become effective January 1, 2025, or as soon thereafter as practicable.

Section 5 - Plan Design Changes – The Vision Plan

The vision frame allowance under the Railroad Employees National Vision Plan will be increased from \$115 every two years to \$250 every two years.

The plan design changes contained in this Section shall become effective January 1, 2025, or as soon thereafter as practicable.

Section 6 – Plan Design –Employee-Only, Reduced-Rate Option

The Plan will offer a medical coverage option with a reduced, employee-only rate as follows:

- (a) There will be a single funding pool to include existing plan options and the new reduced-rate option.
- (b) The employee-only reduced-rate option employee monthly contribution will be ten percent (10%) of the Carrier’s Monthly Payment Rate (as defined below), and will be subject to the provisions of the Side Letter covering contribution rates during the post-2030 amendable period (attached).
- (c) The employee-only reduced-rate option will be HSA eligible.
- (d) The reduced-rate option will have the following plan design features:

	In Network	Out of Network
Deductible	\$2,500	\$5,000
Out of pocket maximum	\$5,000	\$10,000
Coinsurance – office visits and in/outpatient care	90% after deductible	70%
RX – generic coinsurance (retail and mail order)	10% after deductible	75% of R&C
RX – formulary (retail and mail order)	20% after deductible	75% of R&C
RX – non-formulary (retail and mail order)	30% after deductible	75% of R&C
Employee contributions	10% of payment rate (2025 = \$185.03/month)	

The plan design changes in this Section shall become effective January 1, 2025, or as soon as reasonably practicable thereafter.

Part B – Employee Sharing of Plan Costs

Section 1 - Monthly Employee Cost-Sharing Contributions (Not Applicable to Employee-Only, Reduced-Rate option)

(a) Effective January 1, 2025, each employee covered by this Agreement shall contribute to the Plan, for each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for the employee and/or the employee's dependents, a monthly contribution equal to 15% of the Carriers' Monthly Payment Rate. Effective on each subsequent January 1, the monthly employee cost-sharing contribution shall be adjusted to reflect 15% of the Carrier's Monthly Payment Rate for the relevant year.

(b) For purposes of subsection (A) above, the "Carrier's Monthly Payment Rate" for any year shall mean one twelfth of the sum of what the carrier's monthly payments to

- 1) the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,
- 2) the Dental Plan for employee and dependent dental benefits, and
- 3) the Vision Plan for employee and dependent vision benefits,

would have been during that year, per non-hospital association road employee, in the absence of any employee contributions in the aforementioned plans.

Part C – Other

If existing national health care legislation is repealed, the parties will meet and confer on a voluntary basis to discuss the benefits that were previously mandated.

ARTICLE IV - GENERAL PROVISIONS

Section 1 - Court Approval

This Agreement is subject to approval of the courts with respect to participating carriers in the hands of receivers or trustees.

Section 2 - Effect of this Agreement

(a) The purpose of this Agreement is to settle the disputes growing out of the notices served upon the organization by the carriers listed in Exhibit A on or subsequent to November 1, 2024 (including any notices outstanding as of that date), and the notices served by the organization signatory hereto upon such carriers on or subsequent to November 1, 2024 (including any notices outstanding as of that date).