

DENNIS R. ARRINGTON, PRESIDENT • DENNIS M. CONLEY, SECRETARY/TREASURER • CINDY DIEHM, VICE PRESIDENT



## The President's Report | By Dennis R. Arrington

Dear Brothers and Sisters.

Despite efforts by the U.S. Congress several years ago to stave off a nationwide health care crisis, most

insurance plans find themselves facing tremendous adversity and the threat of collapse. The ITPEU Health and Welfare Plan is no different. There is no reason to mince words: the Plan is at a critical juncture in its history and the survival of the Fund may be at stake if we fail to act.

We are proud of our Plan and have every right to be. We continued to add valuable benefits for our participants while others were instituting "skinny" plans with poorly designed benefits and outrageous deductibles. If there has been any decline in utilization of benefits among those kinds of plans, it is not due to wellness or preventative programs: it is due to the fact that participants cannot afford to use them! Unfortunately, many Americans have had to accept these arrangements and they have become the norm. This has never been the model of the ITPEU Health and Welfare Plan. We believe in a plan that members can afford to utilize and we intend to keep it that way.

Our success thus far has been due in large part to the Plan's advisors and Trustees, both Union and Employer, who had the foresight to design a plan which would encourage utilization while keeping the cost within the range provided by the Department of Labor (DoL), and the courage to do whatever it takes to maintain it. This has been no easy task due to the low increases provided through the DoL's annual statement of the allowance for health benefits on Service Contracts. While medical inflation increased close to 10% each year, the allowance provided through the federal agency increased by meager amounts or, sometimes - such as in 2016, not at all. This deficit, coupled with rising prescription drug costs and high dollar medical claims, has taken its toll on the ITPEU Health and Welfare Fund's reserves.

Early this year, the ITPEU Health and Welfare Trustees established a Special Benefits committee, comprised of Employer and Union Trustees, to examine the health and future of the Fund. The results were bleak and have resulted in several modifications and suspensions of certain benefits. Those of you who are covered by the Plan have received this information directly from the Fund's Administrator. However, it's important that you understand that these changes to the Plan are not the result of mismanagement; to the contrary, the changes are the result of highly skilled professionals acting proactively to protect your benefits and preserve a plan which has given us all so much.

Even with these suspensions and modifications, the ITPEU Health and Welfare Plan is a "cut above the rest." The deductibles are still considerably lower than others and at this point, the Plan still features what amounts to whole family coverage for the price of single coverage. Unlike other socalled health plans in the Service Contract industry, you do not have to pay extra to cover your family members. Everyone is covered by the amounts contributed by your employers.

We do hope to reinstate the suspended benefits at some point in the future. However, this will only be possible if (a) the trends in medical inflation slow down and (b) we can increase the hourly employer contribution rate nationwide. In any event, you can rest assured that we are not going to roll over and watch the ITPEU Health and Welfare Plan collapse. We will continue to work to ensure that any modifications which adversely affect the participants are absolutely necessary for the preservation of the Plan and to restore the benefits which we have had to reduce. You and your family's health and your experience in the ITPEU are our number one concern.

Have a safe and enjoyable Summer.



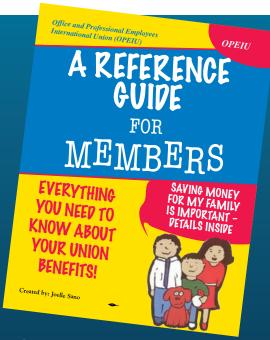
The ITPEU congratulates the following Union members of GoodFellow AFB, San Angelo, Texas, for their twenty years of dedication and hard work: (L-R) Kane Keo Manivong 1987, Janie Lara (Shop Steward) 1988, Tommie Johnson 1989.

Talented Cooks and loyal ITPEU Members from Fort Sam Houston, employed by Cantu Services, pictured from L-R: Gloria Ricketts (1990), Turskea Jackson (2010), ITPEU President Dennis R. Arrington, Eleanor Moody (2000).





ITPEU members and employees of E. Turner services at Meridian Naval Air Station (Meridian, MS) proudly receive the Navy's 5 Star Award. This award is the highest ranking the Navy bestows upon naval galleys and qualifies the galley to compete in higher awards. Congratulations and good luck in competing for the Ney!



#### **OPEIU Benefits Booklett**

We are pleased to present the following summary of the ITPEU's Member's Only benefits, provided through the OPEIU International, titled "Reference Guide for Members" on our website at www.itpeu. org. I trust that you will find this online booklet as resourceful as I have. From restaurant discounts to dental programs, the Union has crafted a Member's Only benefit package, which leaves no doubt that it truly does Pay to Belong!



The OPEIU has approved a Student Debt Reduction Program. This program provides five awards of \$2,500 each year to a member who has completed an associate or undergraduate degree and who can demonstrate they have at least \$10,000 in student debt and their account is current. Visit www.itpeu.org for details.



ITPEU Shop Stewards in the Las Vegas, NV area attend a special Steward's training course conducted by Cynthia Schu, OPEIU Director of Organizing. The Shop Stewards in attendance were from Yellow/Checker/Star (YCS) Cab Company and Henderson Taxi. L-R: Cynthia Schu (OPEIU), Andrew Turonie (Henderson Taxi), Sam Moffitt (OPEIU), CharlesYerkes (Henderson Taxi), Mike Kilgo (YCS), Andom "Nati" Kahsay (OPEIU), Henry Szczygielski (YCS), Gerald Johnson (YCS), Tom C. Rotroxsa (YCS).



ITPEU President
Dennis R. Arrington
(pictured left)
stands with Adolfo
Perez, food service
employee at Fort
Sam Houston.
Adolfo, just shy
of his 20th year of
employment, is 87
years young and
still going strong.
We'd love to know
his secret!



# **CONTACT US AT THESE ITPEU LOCATIONS**

### www.ITPEU.org

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