



CITY OF LANSING
DEPARTMENT OF HUMAN RESOURCES

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Virg Bernero, Mayor

August 19, 2010

Denise Estee
2923 Greenbriar Avenue
Lansing, MI 48912

Re: Teamster Local 580 Clerical, Technical, Professional Unit (Retiree Healthcare Benefits)

Dear Ms. Estee,

This letter is in response to your correspondence dated April 14, 2010 regarding your Teamster Local 580 Clerical, Technical, Professional Unit retiree healthcare benefits. I apologize for the delay in responding to your inquiry and trust that this letter is responsive to you inquiry after researching the issue. In your correspondence, you inquire why February 20, 2004 was selected as the date to make effective the provision that retirees follow active employees with healthcare benefit changes.

We selected retirees on or after February 20, 2004 as the date to go back to because the 20th of the month of February began our new plan year at that time and this was the first February 20th that occurred after ratification of the 2003 - 2007 agreement. This same agreement provided that no changes would be made to current retirees until February 20, 2006. However, the changes were not made due to an oversight.

Subsequently, negotiations for the 2007 - 2012 agreement resulted in changed in healthcare benefits and the changes that had inadvertently not been made previously were made at that time. So, we made them during the implementation of the changes resulting from negotiation of the most recent contract ratified in January 2010. The changes were effective May 1, 2010 because that was the soonest BCBSM could make the changes effective. Simply put, we selected February 20, 2004 as the date to implement all of these changes to retiree benefits because it was logical to select that date since other changes were required as well.

Thank you for your inquiry. If you have further questions or require additional information, please do not hesitate to contact me directly at (517) 483-4016.

Sincerely,

Susan C. Graham
Labor Relations Manager

Cc: Jerry Ambrose
Terri Singleton
Mark Colby
Lisa Thelen

file ✓

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