

Cooperating
Railway
Labor
Organizations

**Health and
Welfare Committee**

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Brotherhood of Railroad
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International Association of
Machinists and Aerospace
Workers

International Brotherhood of
Boilermakers, Iron Shipbuilders,
Blacksmiths, Forgers and Helpers

International Brotherhood of
Electrical Workers

National Conference of
Firemen & Oilers/SEIU

SMART Mechanical Department

SMART Transportation Division

Transport Workers Union

Transportation
Communications Union/IAM



United We Stand



VIA ELECTRONIC AND FIRST-CLASS MAIL

October 28, 2022

Mr. J. S. Shannon, Board Chairman
Wabash Memorial Hospital Association
P.O. Box 1340
Decatur, IL 62525

Re: Wabash Memorial Hospital Association (“WMHA”) Termination
Notice

Dear Sir and Brother:

This responds to letters from the WMHA Board of Managers dated August 19, 2022, and September 30, 2022, which were received by my office on August 22, 2022, and October 7, 2022, respectively. The letters speak to the fact that the WMHA Board of Managers has voted to terminate the WMHA Primary and Secondary Plans, effective December 31, 2022. The Board is requesting my counsel and guidance on how best to fulfill the Board’s desire to transition the WMHA members into The Railroad Employees National Health and Welfare (GA-23000) Plan, as well as any other applicable National Health and Welfare Agreement covered Plans, effective January 1, 2023. You further state that this is due to the continued reduction in workforce over the last three (3) years and the future financial shortfall under which the WMHA will no longer be able to provide benefits/coverage for these members.

Please excuse the delay in this written response, as I know you and Co-operating Railway Labor Organizations (“CRLO”) Administrator, Dan Cook, have been in constant contact regarding this matter, but our ability to get you a written response has been delayed by the ongoing National Agreement negotiations process as well as the BLET’s Fifth National Convention, which was just concluded a short time ago. I too share the Boards concern that this transition is handled with care to ensure that no member gets left behind.

The first thing that needs to be understood is that virtually all forms of health and welfare coverage for railroad members employed by the Carrier flow from National Agreements that date back many generations. Under the GA-23000 Plan, the Carriers have agreed, as a joint policyholder, that where hospital associations exist, employees may participate in that hospital association, and the employees’ dependents would be placed under the GA-23000 Plan. Insofar as the WMHA has notified the Carrier that effective January 1, 2023 it will no longer provide benefits to its member employees, the Carrier has an obligation to provide

insurance coverage for those employees under the GA-23000 Plan effective January 1, 2023.

As previously relayed by the CRLO Administrator, several important steps have to be undertaken in order to effectuate this change. First, to the BLET side of things, as the Board Chairman of WMHA, and per the power bestowed on you as the designee of BLET General Committee of Adjustment (“GCA”) of jurisdiction, and in coordination with the Norfolk Southern (“NS”) Corporation’s Highest Designated Officer there must be a negotiated Transition Agreement, approved by my office, to effectuate the needed changes. With your confirmation that this change from the WMHA to the GA-23000 Plan would not change any of the terms and conditions of the Collective Bargaining Agreement governing Health and Welfare benefits, and that none of the associated transitional costs will be put on the membership, the Transition Agreement, once approved by my Office, as the BLET National President, pursuant to Section 42(c) – General Committee Rules (“GCR”) of the BLET Bylaws and accepted per the requirements below, may be implemented without requiring ratification pursuant to GCR Section 41(b). Of course, this section pertains primarily to the process for the BLET. Other Board of Managers members should check with their respective organizations for compliance with their internal processes.

Once the above is accomplished, the parties would then need to address a joint letter to my office as the CRLO Chairman, and to the National Carriers’ Conference Committee (“NCCC”), Mr. B. M. Branon – Chairman, asking that they accept the members of the former WMHA into the GA-23000 Plan, effective January 1, 2023. My understanding is that while this step has been partially fulfilled with the Board’s letter sent to me as the CRLO Chairman, I am not aware that a similar notification letter addressed to NCCC Chairman Branon has been sent, as I believe that will follow the completion of the Transition Agreement that is in process now.

Once the above steps have been completed, and the Joint Policy Committee members have agreed to accept the application of the employees covered by WMHA into coverage under the GA-23000 Plan, then the Transition Agreement, negotiated between you as the designee of the BLET GCA of jurisdiction and the NS, can be implemented in order to formalize what needs to be done pursuant to the Collective Bargaining Agreement in order to make this change. Even at that point, the “Entry Fee” for the members coming from the WMHA and going into the Railroad Employees National Health and Welfare Plan will need to be paid, as you most certainly are aware of by now, due to the ongoing communications. Once all of this has transpired, the actual administrative work can begin. With the holiday season looming and the first of the year rapidly approaching, please understand that we are doing all we can to complete this process in the most efficient and timely manner possible.


Trusting this provides the acknowledgment that you requested, and with warmest personal regards, I remain

Mr. J. S. Shannon

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October 28, 2022

Fraternally yours,



CRLO Chairman

cc: CRLO Chiefs (Via Electronic Only)
CRLO H&W Subcommittee (Via Electronic Only)
A. D. Cook, III, CRLO Administrator (Via Electronic Only)
E. L. Pruitt, First Vice President (Via Electronic Only)
S. J. Bruno, National Secretary-Treasurer (Via Electronic Only)
R. C. Gibbons, Vice President (Via Electronic Only)
D. L. Dehart, Chairman, NS-N GCA (Via Electronic Only)
WMHA Board of Managers (Via Electronic Only)
B. M. Branon, NRLC Chairman (Via Electronic Only)
C. S. Decker, Assistant Vice President, NS Corp. (Via Electronic Only)