

## Health Costs Would Surge Under U.S. Steel Plan

(July 28) – U.S. Steel has proposed sweeping cuts in insurance benefits for both active and retired USW members, which are too numerous to list. Here is a summary of the company’s most onerous proposals on health benefits.

### High Deductible Plan

For active workers, U.S. Steel has proposed a high-deductible health care plan with annual deductibles for in-network services of \$2,000 for single employees and \$4,000 for families. Deductibles for out-of-network services would be twice those amounts.

### Out-of-Pocket Costs & Employee Premiums

The company also wants to charge employees a monthly premium for health coverage of 10 percent of the projected costs, or as much as \$182 for family coverage, plus the full cost for dental and vision coverage of up to \$123 for family coverage for 2016. In addition, the company proposes to charge \$150 per month for spousal coverage if an employee’s spouse is offered coverage by an employer.

Under the U.S. Steel plan, employees would pay 20 percent of the cost of in-network services until the total amount of out-of-pocket expenses reached \$3,500 for single employees and \$7,000 for employees with families. Those amounts would be double for out-of-network services. Although the company proposes to contribute up to \$1,000 per year for employees with families to a Health Savings Account, an employee with a family would potentially face up to \$9,600 per year in premiums and out-of-pocket costs.

### Retiree Health Care

U.S. Steel proposes to eliminate the current medical plan for Medicare-eligible retirees and surviving spouses (as it did to salaried employees) and arrange for them to shop for supplemental coverage through a private vendor. Retirees and surviving spouses who enroll through the private exchange would receive a credit of \$1,140 in an HRA account that could be used to pay premiums. However, the credit amount is much less than the company contributes today, and the plans have much lower levels of coverage.

For retirees not yet eligible for Medicare, the company’s proposal would raise premiums and increase drug copays.

The company proposal would give current employees an unfunded account of up to \$40,000 to use to purchase COBRA coverage until Medicare eligibility and Medicare supplemental coverage through a private exchange. Employees with fewer than 5 years of service and new hires would receive a contribution to their 401(k) account.

### Good Family-Supporting Jobs

Individually, each of these proposals is regressive and prohibitively expensive. As a whole, they represent a direct attack on the benefits we have built over decades of struggle. It is because of our hard work that our jobs at U.S. Steel have remained good-paying, quality jobs. Now we need all USW members to stand strongly behind our bargaining team and make sure that this remains true for us and those who come after us.

In Solidarity,  
Your 2015 U.S. Steel Bargaining Committee