

Q and A

Benefits Meeting August 2 and 3

Medical/UHC/FSA

1. Will there be an open enrollment for Supplemental Medical in the future?

There are no plans at this time to offer an open enrollment as there have been two in the past. However, if the TWU benefits committee would like to discuss for 2008, we would be happy to review options.

2. Does the UHC website have a provision for reporting bad experiences with a network provider?

Today there is not an option; however, the suggestion has been made to the UHC.

3. Does UHC take a proactive roll in policing "Bad" providers?

UHC regularly investigates complaints and takes appropriate action when appropriate.

4. Is there a way to give feedback on the MyUHC.com website?

Yes, through the TWU benefits committee.

5. Why can't we lower co-pays or offer an option to be able to pay for lower co-pay?

This is something that could be considered for 2008 with a build your own plan design and we will review the option with the TWU benefits committee review should they decide to pursue.

6. Can a message be sent to employee to verify the Full-Time status of a dependent prior to the claim being denied?

Unfortunately, it would cost more to manage the process for 100% of the population when most students do not file claims.

7. I use a CPAC machine; does the monthly fee charged to me go on indefinitely, or at some time does charge end?

It depends on the plan, please contact UHC directly to discuss your plan.

8. What is Direct Medical Care?

In the Workers' Compensation environment, there are certain states where the third party administrator (claims payer) directs the injured employee to the appropriate medical care. For instance, in MO, SRS can direct an employee to Dr. 'Smith' or Dr. 'Jones.' This is different than in states which employees are directed to a network of doctors, such as in CA and in TX (after 9/1).

9. When the VA sends a claim to UHC for payment, I get a denial and then receive a letter looking for 3rd party information. Why?

This specific issue should be addressed through our dedicated support at UHC.

10. I have several claims with co-pays that have not been paid, what do I have to do?

If you have specific cases, please contact UHC.

11. Some employees have had Auto-Rollover turned off for various reasons. Is there any way that UHC can contact the employee that the Auto-Rollover has been turned off so that they can reactivate.

Letters were mailed to impacted employees in December explaining the purpose was to allow deductions from the 2005 balance. This will be the process for 2006 as well. To turn on the auto-rollover, please log on to UHC and go to the FSA section.

12. How much money was lost from FSA money not being used by March 15, 2006?

The remaining balance is \$77,000, however, most of this is due to uncashed checks.

Accommodations

1. LAX provides TD to certain employees, while simultaneously denying to others based on “Operational Need” or “Different Restrictions” as determined by local management. We need a consistent policy that will restrict local management from picking and choosing those eligible for TD.

Workers Compensation at HDQ and the West Coast Injury Manager will work with LAX management on a decision tree/procedure to assist in applying the Transitional Duty policy consistently amongst all employees.

2. An employee is laid off while on Leave of Absence; He reaches MMI and has Permanent restrictions and his station will not accommodate him. How can the local help this person?

You can contact a member of the TWU Benefits Committee and we can assist you.

3. Can the local have advance notice of accommodations conference calls?

The local President will be contacted prior to the call.

Injury on Duty

1. JFK has a problem with TD; no one is given the chance to work TD.

Workers Compensation at HDQ and the NY Injury Manager will meet with the JFK administrators to explain the benefits of allowing TD, as well as to develop a plan to assure the policy is applied consistently.

2. If you are on TD and you have scheduled vacation, can you postpone your vacation?

Yes, you may request to postpone your vacation while on TD and you must have concurrence from Operational Management.

3. When you are on ID, you get 10 days/80 hrs pay if you are a full-time employee. Would a part-time employee who works 4 hrs/day get 20 days of ID pay?

In the application of Article 34(g), it is intended to provide full pay protection over the 10 day period of time. The 10 days are work days, predicated on a 5 day workweek. Therefore, if a part time

employee is scheduled 5 days/week at 5.0 hours/day, they will receive 50 hours of ID pay for that 10 day period of time. A part timer who works 3 days/week at 8.0 hrs/day will receive 48 hours of ID for that 10 day period of time.

4. Does the TWU have a Compensation (ID) Panel? (Article 34)

Yes, as you can see below in the language of Article 34(h) of the AA/TWU Fleet Service agreement. The panel is rarely utilized these days since most of the injuries exceed the statutory waiting period and then SRS, under the applicable state Workers' Compensation laws, determine compensability.

(h) In the event that the Company challenges the payment of benefits under paragraph (g) above, occurring during the statutory waiting period under the applicable state Workers' Compensation Laws, the employee will receive pay continuance (regular pay) from the Company up to the maximum days provided in the waiting period.

The challenged payment by the Company will be resolved in the following manner:

(1) The Company, or the employee, may within seven (7) calendar days, appeal through a review panel composed of a representative of the TWU International and the Vice President-Employee Relations, which will hear and resolve the case. The panel will be limited to determining whether the pay continuance, made to the employee under this provision, will be considered a benefit under Article 32(d) or 32(g), or whether the employee should return to the Company the benefit he received under this provision. In the event the panel is unable to resolve the issue, the case may be submitted to the System Board of Adjustment for final and binding resolution.

(2) If the Company or the employee fails to appeal the challenged payment, the pay continuance benefit will be considered payment under Article 32(d) and will be charged to the sick leave benefit.

5. Is it possible for an employee to have the ability to pay 50 % of the cost for an FCE and IME appointment?

When an FCE or IME is requested by your treating Workers' Compensation doctor and/or SRS, you do not pay for the appointment and/or exam.

6. What is the appeal process if an employee disagrees with the compensability ruling by SRS?

It depends on the State law. The appeal process is usually handled through an administrative board or court. There is no company (AA) involvement.

7. Why can't you use vacation time to supplement your state benefits?

The contract specifically allows the use of sick time to supplement the State benefits (Article 34), however, there is no provision within the AA/TWU contract that allows for the use of vacation time.

8. Can you CSO while on TD?

Since the guidelines regarding the CS policy are developed locally, I would suggest you check with Local operating management.

Leaves of Absence

1. An employee is the sole care provider for his mother. He has been away from the workplace for a period of time. He has recently been told he must report to work soon or risk being terminated. He is unable to afford to have a full-time caregiver due to financial hardship. Is there anything that can be done to extend his leave until he can make arrangements with his family on how to financially deal with this issue? Any Suggestions? Does this person have options?

Without understanding the facts behind why the leave is being discontinued (i.e. duration expired, cleared medical, etc.), I would suggest the employee arrange a meeting with his/her Supervisor to discuss the situation, with a possible solution being an extension or possibly some other alternative. Employee may also be eligible for FMLA up to 12 weeks.

2. Who is the AA contact regarding USERRA Act compliance?

David Strickler in our Legal Department is the dedicated attorney regarding USERRA.

3. When you go off payroll, what exactly do you lose?

Since there are many different reasons for leaving the payroll and each may have a different impact on pay, benefits, etc. I would suggest you go to Jetnet and click on the "Policies and Procedures" link to gain access to the "Employee Policy Guide (EPG)". In the EPG you can find many of the answers to the question about what you may lose or retain while separated from the payroll.

4. When an employee chooses not to use their sick time and go on an Unpaid LOA, why can't the employee change his/her mind and start using their sick time?

The intended application of utilization of sick time to supplement the Workers Compensation benefit was to allow the employee the opportunity before he/she went off payroll. To change one's mind does add some administrative complexity, but not sure it is contractually prohibited. Per the leave policies, you retain your sick bank for use upon your return from unpaid leave.

5. Why is Active medical coverage limited to 1 year when an employee goes on an LOA?

The Company provided a \$2 MM savings credit towards the restructuring agreements for the TWU when this change was made along with elimination of STD. Both of these changes were not contractual, however, in the interest of reaching the required savings target, we credited it towards the goal.

6. How does someone make arrangements for overpayments?

The best source for commencing the process towards an overpayment arrangement would be your Administrative Supervisor or Manager. He/she can contact Payroll Services and make the necessary arrangements.

Pension/Retirement

1. Where does the benefit money go when an employee fails to Pre-Designate his or her spouse, leaving them only 50 % of benefits? Does this go back into the AA coffers?

The money stays in the pension trust and cannot revert to the Company. For example, if the employee were a TWU represented

employee, the funds would remain in the TWU pension trust for other TWU Pension Plan members.

2. Can we get a copy of the retirement selection forms?

Yes, see attached.

3. When retiring, you choose the Guarantee Period Certain; if the pension plan goes to the PBGC, will the employee still receive his same benefit?

As you may know, the PBGC's maximum guarantee amount is based, in part, on your age at the date you begin receiving benefits from the PBGC and, if your benefit provides payments to a survivor, your survivor's age. The level of current plan assets and the timing of a PBGC takeover could also impact your actual benefit. Consequently, it would be speculation on our part if we tried to predict your benefit should such an event occur.

You can get information by going on-line at the PBGC web site, www.pbgc.gov or by writing to Consumer Information Center, Dept. YGP, Pueblo, Colorado 81009.

4. I have several members over 65 who have paid Prefunding; they are retired military and eligible for TriCare and Medicare and no longer have a need for the Prefunding. When can they receive there monies from Prefunding?

If the employee is still active, they should contact employee services to waive their prefunding by completing the required form and have prefunding deductions stopped. A refund will be issued 12 weeks after the employee separates from AA. If the individual has retired, funds would have been drawn down in accordance with the collective bargaining agreement. The retiree should contact Employee Services to complete a waiver form and any remaining balance will be refunded with any investment experience. The refund will take approximately 12 weeks.

LTD

1. Does the 6 month waiting period have to be continuous 6 months, even if it's the same condition (reason) that has reoccurred or not healed?

A period of Disability is continuous even if you can return to Active Service for up to 15 days during the Benefit Waiting Period. Your Benefit Waiting Period will not be extended by The amount of days you returned to Active Service during this Period

2. Do we need to be enrolled in LTD to be entitled to Disability Retirement Benefit?

No, members do not need to be enrolled in LTD to be Entitled to the Disability Retirement Benefit.

FMLA

1. When an employee has his doctor fill out the paperwork, AA medical often requests additional information, requiring multiple trips to his doctor, which may require an additional co-pay; Why doesn't AA pay for the additional visits?

AA is not responsible for this cost. If your health care provider charges a fee for completing or faxing the FMLA application, it is your responsibility to pay for the services. To minimize your costs, be sure the form is completed fully the first time. You should discuss your needs with the health care provider prior to having the FMLA forms completed. Prior to taking the FMLA Certification Form to the treating health care provider, it is also a good idea to check with your supervisor to determine if you are administratively eligible for FMLA Leave.

2. What are the maximum intermittent days a month that can be used?

FMLA entitlement is limited to 12 workweeks of leave during a rolling 12-month period. For a normal 5 day workweek that would be a total of 60 days or 480 hours.

Sick Time (Title I & II)

1. When a person exercises 2 "SK" days, why would a person then be charged "1/2" pay in the event they use 2 SKN days consecutively with the 2 "SK" days?

The language below is from the AA/TWU Mechanic and related agreement under Article 34(d). The key term in applying this provision is "occurrence". In your example, the use of 2 "SK" days and 2 "SKN" days, although consecutive" are viewed as two separate single occurrences due to the different reasons for the absences. Therefore, in applying 34(d), the first 16 hours of any single occurrence will be paid at 50%.

“On any single occurrence, provided the employee has sick leave available, up to the first sixteen (16) hours of absence will be paid at fifty percent (50%). For example, if the employee misses one (1) day, he would receive four (4) hours of SK and four (4) hours of SKU. If the employee misses two (2) days, he would receive eight (8) hours of SK and eight (8) hours of SKU. If the occurrence should extend beyond sixteen (16) hours of absence, all subsequent hours of sick leave within that occurrence will be paid at one hundred percent (100%) to the extent the employee has sick leave available.”