

# ***BENEFIT CHECKLIST for FURLOUGHED FLIGHT ATTENDANTS***

We realize this is an extremely difficult time. Based on the experience of past furloughs, it is clear there can be confusion on electing and maintaining benefits following a furlough. In some cases our members lost valuable coverage. We want to ensure that our members have all the information they need to maintain all of the coverage they desire to keep in place.

This document is meant to be a resource for our members to ensure they are able to obtain and retain benefits for which they are eligible. This document has information on COBRA, Pre-funding for retiree benefits and Supplemental Medical. Each furloughed member should refer to the document **American Airlines Pay, Benefits and Policies: General Information for Flight Attendants Affected by a Reduction in Force** (see link below), for a detailed listing of information regarding all benefit options. It is strongly suggested that you keep detailed files documenting dates of payment, amount of payments and a listing of who you made the payment to. Depending on the coverage you wish to continue you could be making payments to several different vendors. The due dates for these payments may also vary.

**COBRA:** It is anticipated that Cobra packets will be mailed around 4-15-09. You must apply for and send payment for coverage within 60 days of the postmark.

Under COBRA you may elect to continue your medical, dental and vision benefits, as well as Supplemental Medical. Please refer the Pay, Benefits and Policies Packet for information regarding optional coverages such as life insurance, disability and AD & D.

Please see Supplemental Medical information below as you can elect to continue Supplemental Medical as part of your COBRA or separately.

**FEDERAL GOVERNMENT STIMULUS PACKAGE - COBRA SUBSIDY:** You will be mailed a separate letter with an application for the COBRA subsidy which was part of the recently passed Federal stimulus package. This would subsidize 65% of the cost of COBRA. The actual process and application are still being finalized. It is anticipated that a letter explaining the application process will be mailed around April 15, 2009. Eligibility for this program could be affected by individual or household income and/or other health care coverage that you may have.

There could be a period of time in which you would have to pay the full COBRA rates due to deadlines associated with COBRA prior to the time the subsidy is approved. The subsidy will be retroactive to the start date of your COBRA coverage. Any monies you paid above the subsidized rates will be credited towards future COBRA premiums. **DO NOT WAIT FOR THE SUBSIDY TO BE APPROVED BEFORE SENDING YOUR FULL PAYMENT FOR COBRA.**

## **PREFUNDING FOR RETIREE MEDICAL:**

If you are less than age 50 at the time of furlough - You will receive a refund of the value of your prefunded employee contributions. If you are recalled, you will have 90 days from the date of your recall to return that amount in order to get back into the plan under your prior rates and to be able to count the time you previously prefunded towards the required minimum 10 years immediately preceding your retirement.

If you are at least age 50 but less than age 55 at the time of furlough with 15 years of Company Service – You will not receive a refund of your contributions. You will receive a letter from AA approximately 2 weeks after your effective date of furlough advising you of your ability to continue paying your prefunding premiums. You will receive a separate invoice from PayFlex. This invoice will be for premiums for the months of April through December 2009. You will receive future invoices from PayFlex at the end of the calendar for premiums for the next calendar year. You will continue to pay premiums up until you turn age 55 while on furlough. If you fail to make the payment by the deadline, you will no longer be eligible for prefunding.

If you are at least age 55 at the time of furlough with at least 15 years of Company Service – You will not receive a refund of your contributions. You will not be required to pay prefunding premiums if you are over age 55 while on furlough.

**SUPPLEMENTAL MEDICAL:** (Please see the company's Information Package for details regarding how age and Company Seniority affects your ability to continue Supplemental Medical)

If you are currently taking Supplemental Medical, the letter from AA will also advise you how to continue making premium payments for Supplemental Medical. You will NOT receive an invoice for Supplemental Medical.

If you are between the ages of 50-55 and are eligible for retiree medical and do not elect COBRA medical with COBRA Supplemental Medical, you must contact HealthFirst to initiate payment of your premiums. Once you have initiated and made your first payments HealthFirst will continue to bill you on an annual basis.

If you elect to initially take Supplemental Medical as part of your COBRA coverage and your COBRA coverage is cancelled for any reason, or expires, you must make contact with HealthFirst to initiate the continuation of your Supplemental Medical and payment of the premiums to do so.

Link to: American Airlines Pay, Benefits and Policies: General Information for Flight Attendants Affected by a Reduction in Force

[http://www.apfa.org/images/reduction/rif\\_info\\_pack\\_24mar09.pdf](http://www.apfa.org/images/reduction/rif_info_pack_24mar09.pdf)