

UCLRG (Oct 09 2017)

Fellow Class Members:

The question I am asked most frequently is,

“Why are we doing this?”

Here is my answer.

When Lawrence Livermore National Security took over management of the Lab in October 2007, our University-sponsored health care benefits were transferred to the “LLNS Health and Welfare Benefit Plan for Retirees.”

There are two things you need to know about the LLNS Plan:

1. It is regulated by a federal law called ERISA (Employee Retirement Income Security Act of 1974) and is not subject to California law; and
2. The Plan can be terminated at any time.

LLNS is required by federal law to publish a Summary Plan Description (“SPD”) for the “LLNS Health and Welfare Benefit Plan for Retirees.” You can find the current version at:
<https://benefits.llnl.gov/content/assets/docs/retirees/LLNS-Retirees-SPD.pdf>.

On the first page, the SPD states:

LLNS in its sole discretion, reserves the right to amend or terminate in writing at any time the Plan, SPD and/or any Benefit Program. No benefit described in the plan will be considered to “vest”.

This means LLNS has the right to terminate the Plan at any time for any reason that LLNS chooses.

Before the change to LLNS in 2007, our retirement benefit came from UC and were protected by California law. The benefits could not be terminated whenever UC wanted. We filed our lawsuit because we believe that, unlike the benefits provided by LLNS, our UC benefits were “vested” and could not be terminated at any time. So far, the courts have agreed with us.

The transfer of our benefits to LLNS was done without our consent and in many cases without our knowledge. The Regents simply announced they were moving our benefits to LLNS. There was no consultation with retirees and no agreement.

In addition to the fact the LLNS benefits may be terminated at any time, the LLNS benefits are less valuable. In general, the premiums are higher, the employer contribution is less, and the coverage is more limited.

In fact, we estimate that the average retiree has lost approximately \$100 per month after the change to LLNS in 2007. Our lawsuit gives us a chance to get these benefits back.

So, where are we?

UC tried to hide the actual number of class members. There were only about 4,500 people on the class list that UC gave us in December 2015. After a months-long battle, the Alameda Superior Court ordered UC to turn over the complete class list – which had over 9,000 people on it.

We are now fighting for the rights of all of these class members. This includes those who have passed away since the change to LLNS in 2007 (about 1,800 people). If we are successful and the court awards damages, the next of kin or estate of deceased class members will be entitled to recover damages up to the time the class member passed away.

Our next court dates.

We were scheduled to be in court on September 20, 2017. Both sides have made a motion for "summary adjudication." These motions basically ask the court for a ruling without a trial because the relevant evidence is not in dispute.

In addition, the Regents filed a motion to "de-certify" the class. This would leave only the ten named petitioners in the lawsuit. It would be the end of the lawsuit for everyone in the class (except the ten named petitioners).

The court decided on its own to separate the motions for summary adjudication from the motion to de-certify.

The court also decided to move the hearing date for the motions for summary adjudication to **October 18, 2017**; and to move the hearing date for the motion to de-certify to **October 25, 2017**.

Both hearing will be held at the **Alameda Superior Court, 1221 Oak St., Department 17, Oakland, California**, at **2:30 p.m.** The hearing is open to anyone who wishes to attend.

Experts Are Expensive.

We need the support of everyone who can afford to help our efforts.

We have had to hire several experts to develop a "damage model" so that we can offer expert evidence to prove the damages lost by the class after the change to LLNS in 2007.

These experts are expensive. But they are necessary for us to prove our case.

We Ask Again for Your Support.

These experts are expensive. But they are necessary for us to prove our case.

We have always said, "Only give what you can afford," but please do give that amount. Your contribution is tax deductible.

If we win, it will be well worth the investment.

Your support has made all the difference. Together we can make UC pay attention and restore the benefits that were promised to us while we worked at the Lab.

There is no reason that retirees who worked at the Lab should accept second rate benefits.

We should be treated the same as any other UC retiree.

Please give whatever you can afford.

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