



COALITION OF RETIRED EMPLOYEES OF THE OHIO EDUCATION ASSOCIATION
34 Claire Ct., Circleville, OH 43113 – 740-474-3004

September 30, 2004

Ohio Education Association
EXECUTIVE COMMITTEE MEMBERS

More than twenty-five years ago the Ohio Education Association entered into contracts with its employee unions that provided supplemental health coverage for retired employees age 65 and older. During those twenty-five plus years the OEA met the contractual obligations to its retired employees.

Well, OEA met its obligations until now. Although there was no change to the pertinent language in the contracts that OEA has with its employees (both current and retired), OEA decided to reinterpret that language and informed retirees that at age 65 or older this contractually guaranteed coverage would be unilaterally terminated on August 31, 2004. As you should know, those actions took place with the concurrence of the OEA Executive Committee. It is impossible to describe the shock and dismay this order caused, nor is it possible to share in this short letter the hardship and suffering this caused your retired OEA staffers; people undergoing treatment for serious illness, including cancer treatments, are now without the insurance coverage guaranteed to them.

Until now you haven't read about this action in the media because the retired employees affected care deeply about the OEA and have chosen to protect the organization as much as possible. Rather than a very public lawsuit, the Coalition of Retired Employees of OEA (COREofOEA) has attempted to seek a Private Judicial Resolution that would resolve the issue and keep unflattering news about OEA out of the public eye and away from your bargaining table. **But it has been reported to COREofOEA President John Wardell that the OEA Executive Committee has refused to seek such a resolution and refused to recognize COREofOEA as the official representative of retirees.** Instead OEA has chosen to force COREofOEA to file suits in court to resolve these major problems. That decision will cost OEA hundreds of thousands of member dues dollars and seriously delay resolution not to mention putting this issue in the public eye. COREofOEA believes your decision may have been made based on selected information from OEA's outside attorneys that did not give you an accurate picture of the situation.

COREofOEA cannot know why this offer for Private Judicial Resolution and representation was rejected, but since OEA is preparing to bargain new employee contracts in little more than a year, there is a suspicion that this may be pre-bargaining positioning. If so, it is a cruel position to take: deny healthcare benefits to retired employees as a precursor for cutting benefits for all employees; use every possible means to delay a decision on the issue; spend hundreds of thousands of OEA dues dollars unnecessarily; and then cry poor when bargaining begins. And while this is happening people who had contractually guaranteed healthcare insurance are forced to scramble for individual insurance or simply do without.

What can you do? Ideally, OEA should recognize the serious error made in reinterpreting long time contract language and reverse the decision. As an OEA Executive Committee member you need all the facts not just those given to you by OEA management. COREofOEA believes a truly informed OEA Executive Committee member would opt for a more reasonable resolution to the problem and order Mr. Reardon to resolve the issues.

Here are just some of the facts: Many nationally respected attorneys, past OEA Executive Directors, past managers, national retiree organizations, and unions support COREofOEA's position. Many have personally advised OEA management it is making a grave error in pursuing this action and will lose. Perhaps OEA thinks it can win by outspending or out lasting retirees. This is a mistake in judgment that will have far reaching negative effects for OEA as over 175 retirees and dependants are banding together under COREofOEA to fight this action.

COREofOEA offered to assist OEA to help look at financial issues surrounding the post 65 retiree health care issues and possible solutions. OEA said they were not interested and that this **was not** a financial issue. To be very clear, current OEA management is trying to reinterpret long time contract language with a long bargaining history and past practice. If it takes 6 months or five years COREofOEA is very confident OEA will lose and not just in the court room.

OEA's actions have or will impact every OEA staff retiree. Current OEA staff retirees represent over 2500 years of dedicated service to OEA. Many risked their families, health and freedom to defend school employee's rights. Some are surviving spouses who understand more than most what it means to sacrifice. To be treated in this manner by the same people they dedicated their careers to is inexcusable. For OEA to espouse the defense of school employees' retirement benefits while terminating those of its own employees is not only living a lie but violating the very union principles on which this organization was built and continues to say it is defending.

OEA's position to eliminate retiree insurance benefits will not bode well for the very members OEA seeks to represent and protect. With a public lawsuit, school boards across the state will see OEA's action and seek to eliminate benefits for both retired and active teachers and school employees. Even the Ohio Legislature, SERS and STRS will look at OEA's action and decide that if OEA thinks it is okay to eliminate insurance benefits for OEA's own staff, then OEA should have no complaint when your own insurance benefits are eliminated. And who will you ask to represent you and fight for you when you face this issue yourself? The very OEA staff for whom you have terminated insurance benefits--even in the face of contractually guaranteed benefits. As OEA retired staff, we are concerned--as you should be--about the impact of a public lawsuit on the ability to recruit and retain OEA members. You should think long and hard about the decisions you have made because you will be held accountable by all those you represent and other organizations throughout the country.

OEA has engaged the known anti-union law firm of Baker & Hostetler, LLP to represent it. This is a major law firm that represents management against labor across the country. That is who is giving OEA legal advice and long after the dust has settled and all of us walk away damaged they will just go on about their business with a lot of member dues dollars in their pockets. Law firms across the state will know how OEA treats their employees and they will treat you the same way when they sit across the negotiations table from your local association. If you want more information on Baker & Hostetler, LLP just visit their web site; <http://www.bakerlaw.com/practice/practices.aspx> and look at their labor negotiations area. Many people in your position say "we are management". No, you are not, you are an executive board member of a labor union and to even consider doing business with a firm like Baker & Hostetler, LLP is an insult to every labor organization in the country.

You will be hearing more about these issues as the fight to defend retiree rights and benefits has just begun. If you want more information and the rest of the story you may contact any COREofOEA Executive Board member. A list of contact information is attached.

Executive Board,
Coalition Of Retired Employees of the Ohio Education Association

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