

SRSRA NEWSLETTER

For SRS Retiree Association Members

Bob & Pat Stokes, Editors

Volume 30 August 2006

SRSRA Closely Following Development of New DOE Notice 351.1, “Contractor Pension and Benefits Policy”!!!

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CHAIRMAN’S LETTER

In this first Newsletter as the new chairman of the Board of Directors of the SRS Retiree Association, I would like to express thanks and appreciation on behalf of all the members of the Association to our past chairman Dave Cowfer who has served all of us very well for the past six years. Under Dave’s leadership the Association was a driving force in obtaining a pension adjustment in 2002 and retaining our prescription drug benefit in 2005. During his time in office, the membership continued to grow and today stands at 928 members. In my opinion, Dave’s biggest achievement was developing a close working relationship with our congressional delegations, DOE Savannah River Site, and the present contractor, WSRC. Fortunately for all of us, Dave will continue to be involved with the Board as a key advisor as well as chairman of the benefits committee.

A new slate of officers was elected by the Board at the June monthly meeting. The Officers and their areas of responsibility are included in the article entitled “SRS Retiree Association Board Officers for 2006” and on the organization chart on page 15. The Board also agreed to set up a number of committees in order to better carry out the business of the Association. Every member of the Board has agreed to serve on at least one committee. The general mode of operation will be for a committee to research an issue or program, develop a proposed plan of action, and present the plan to the entire Board for its approval. Once a plan or program is approved by the entire Board, it will be worked by the appropriate Board members. A list of the committees, together with the

name of the chairman and committee members, is given in the article entitled "SRS Retiree Association Committees". Brief statements describing the purpose of each committee are being developed and will be published on the website <http://srsretirees.org> when they are finished.

We continue to wait for DOE to issue the Draft Request for Proposal (RFP) for rebid of the Maintenance & Operating contract for the Savannah River Site. We had expected that this RFP would be issued in June. We have not been given any information on when this RFP will be issued. We have a meeting scheduled with Mr. Jeff Allison, DOE Manager of Savannah River Operations Office (SROO), at the end of August and hope to get some indication of when to expect the Draft RFP during that meeting.

We continue to prepare for what might be in the Savannah River Site Draft RFP by studying DOE's contract at Los Alamos National Laboratory and DOE's RFP at West Valley. The new "contracts" at both sites retain benefits for existing retirees. This is what we expect at the Savannah River Site and what Mr. Jeff Allison indicated would be the case in his comments at our Annual Meeting in April.

One cause for some concern is DOE Notice 351.1, Contractor Pension and Medical Benefits Policy, issued on April 27, 2006. On the positive side, it states "The Department shall continue to reimburse allowable costs for pension benefits for Incumbent Defined Benefit (DB) Pension Plan participants." [That's us!] However, it states that DOE "will not reimburse Incremental Pension Costs" [read Cost of Living Adjustments] "except as required by law." There is similar wording about medical benefits: "the Department shall not reimburse Incremental Medical Benefit Costs except as defined by law." The Notice also includes the words: "Ensure that Contractors take appropriate steps to preserve existing rights to modify, change, suspend or terminate whole or in part, (e.g. by annually communicating to both active and retired plan participants an appropriate reservation of rights as permitted by law) the medical plans they sponsor". This is not a change for us but reinforces that medical benefits are a more fragile benefit for us. How this would apply to us is not clear at this time, but it could result in higher out-of-pocket costs for us. DOE Notice 351.1 also specifies that new hires will not be included in a defined benefit pension plan. DOE apparently did not give Congress sufficient notice before issuing 351.1. Under pressure from Congress, DOE Secretary Samuel Bodman issued a letter on June 19, 2006, suspending the policy for one year effective immediately. This gives us time to voice our concerns and objections. We took one step in that process on August 9 when some of the officers and members of the Benefits Committee met with Congressman J. Gresham Barrett to discuss our concerns and presented him with a letter stating the Association's position. A similar letter is also being delivered to Senator Lindsey Graham. These letters were approved by the entire Board. A copy of the letter as sent to Senator Graham is included on pages 13 and 14 of this Newsletter.

As part of our effort to maintain visibility with our congressional delegations, the SRS Retiree Association reserved a table at the Aiken Chamber of Commerce luncheon on August 9 where Senator Lindsey Graham was the keynote speaker. I was particularly pleased that Senator Graham stopped on his way in and shook hands with all of the SRSRA representatives. This was the only table where he did this. In his talk, he emphasized his support for SRS programs such as MOX and hydrogen power research. He also indicated that he recognized the fine work done at the site in the past. I think that we can continue to count on his support in future dealings with DOE and site contractors.

Nick Kuehn, Chairman
Savannah River Site Retiree Association

SRS Retiree Association Board Officers for 2006

The Officers of the Board of the SRS Retiree Association elected for a one year term at the June 2006 Monthly meeting were:

Chairman	Nicholas Kuehn
First Vice Chairman	Michael French
Second Vice Chairman	Carl Hirst
Secretary	Charles Miller
Treasurer	Stanley Smith.

Our recent past Chairman David Cowfer will continue to work with the new officers and provide input based on his experience gained over the past several years.

In addition, two individuals were named to appointed offices:

Vice Chairman	Robert Stokes
Assistant Treasurer	Art Blanchard.

Bob Stokes' title is to acknowledge the importance of his position as editor of the Newsletter and his contributions to the overall operation of the Association for many years. Art Blanchard was appointed Assistant Treasurer to backup Stan Smith.

This structure is shown schematically on page 15.

SRS Retiree Association Committees

At the July Monthly Board meeting, the Board approved a committee structure proposed by Chairman Nick Kuehn at the June meeting. It is similar to the organization structure that has been in place for several years. Every Board member serves on at least one committee. The committees are expected to formulate action plans which will then be presented to the entire Board for review and approval. The committees and functions are listed below:

Annual Meeting	Chairman: Leo Zimmerman; Vice Chairman: James Fuqua
Benefits	Chairman: Dave Cowfer; Vice Chairman: Sid Curry
Nomination	Chairman: Jim Morrison
Membership	Chairman: Ed Somers
Public Relations & Communications	Chairman: Randy Clarke
Medical Interface	Chairman: John Church
Charter & Bylaws	Chairman: Frank Langford
Newsletter	Co-Editors: Bob and Pat Stokes
Historical Files	Historian: Judy Maddox
Website	Webmaster: John Church

A brief statement is being developed to define the purpose of each committee and function. A listing of the committees and functions, together with the purpose statement and the names of all of the committee members, will be placed on our website <http://srsretirees.org>.

MEDICARE PRESCRIPTION DRUG COVERAGE OPTION

SRSRA RECOMMENDED KEEPING YOUR WSRC/BSRI PRESCRIPTION DRUG COVERAGE AND RECOMMENDED NOT ELECTING THE MEDICARE PRESCRIPTION DRUG PLAN D PROGRAM. BUT, SOME RETIREES DID ELECT THE MEDICARE COVERAGE. **IF YOU ARE ONE OF THOSE WHO DID ELECT THE MEDICARE PRESCRIPTION COVERAGE, WOULD YOU BE WILLING TO SHARE WITH YOUR FELLOW RETIREES YOUR REASONS FOR YOUR CHOICE AND HOW IT IS WORKING FOR YOU?** *If you are willing to share your thoughts, please contact webmaster@srsretirees.org or send regular mail to the address at the top of the page to the attention of John Church.*

UPDATE ON THE STATUS OF POTENTIAL FOR FUTURE AD HOC PENSION ADJUSTMENTS

On April 27 DOE announced Notice 351.1, a new policy for contractor benefit reimbursements. DOE states that this policy will continue to reimburse contractors for current and retired contractor employees' defined benefit pension plans and medical benefit plans under existing contract requirements. For new contractor employees this policy would dramatically change benefits by introducing an enhanced 401k in lieu of a defined benefit pension plan and market-based medical plans.

Among the many changes announced by this policy is a clause that states:

"Absent a compelling reason (e.g., required by law) and then only with the written approval of the Secretary of Energy, Departmental Elements (local DOE offices) shall not approve costs for reimbursement of any amendments to an Existing Defined Benefit (DB) Pension Plan(s) that augment (increase/improve) or potentially augment in any way the benefit for any plan participant, including any early retirement incentive. The fact that an existing (DB) Pension Plan may be fully funded or have assets in excess of currently estimated liabilities is in itself not a compelling reason for benefit augmentation." The WSRC Pension Plan is an Existing DB Pension Plan. The effect of this clause, as written, makes it clear that **DOE will not approve future ad hoc pension adjustments (cost of living adjustments) without the intervention of Congress.**

The issuance of Policy 351.1 caused a controversy with some members of Congress who accused DOE of not consulting with them prior to announcing 351.1. As a result, DOE Secretary Bodman advised Senator Pete V. Domenici, Chairman of the Senate Committee on Energy and Natural Resources, on June 19 that he had suspended implementation of 351.1 for one year. During this suspension, DOE will consult with stakeholders, including Congress, to seek their input.

As part of the effort to obtain stakeholder input, an employee/retiree meeting was held at Oak Ridge on June 22. The stated purpose of the meeting was to explain the proposed change in pension programs for employees; however, the focus of the meeting quickly turned to retirees and their need for a pension adjustment to offset the effects of inflation. The retirees contend that their pension plan currently has a surplus of more than \$300M and

they have not received a pension adjustment since April 2001. They also noted that another DOE site, Savannah River, had received a pension adjustment since their last adjustment. The DOE official from Headquarters refused, stating that, "DOE is not in a position to give Oak Ridge's 12,000 retirees a pay adjustment". DOE acknowledged that the Oak Ridge plan had a healthy surplus but said that they needed to protect the surplus for the future and thus could not make any adjustment. A representative of BWXT, who manages the Y-12 Plant, added that the "good news" is that people are living much longer but the "bad news" is that it increases the liability for the pension plan.

It is apparent that, based on DOE action at Oak Ridge, DOE plans to enforce certain clauses of 351.1 despite the announced suspension of that Policy. The Policy was suspended on June 19 and Oak Ridge retirees made their request for an ad hoc pension adjustment on June 22. The Oak Ridge request was flatly rejected by DOE Headquarters.

The SRSRA plans to request a meeting with DOE Headquarters representatives to express our opposition to this clause and to question other parts of 351.1. Our opposition/questions will be supported by written comments. Recognizing that it may be very difficult to change the DOE position, we plan to work through our Congressional Delegation to remove from 351.1 the clause that prohibits augmentations of ad hoc pension adjustments. We have talked to the Oak Ridge retiree organization, Coalition of Oak Ridge Retired Employees (CORRE), and they have agreed to this strategy and will pursue this with their Tennessee delegation. It is hoped that Los Alamos retirees will join in this effort. The elimination of this clause currently appears to be the key in pursuing future ad hoc pension adjustments.

DOE Notice 351.1 Status

In our May newsletter we discussed DOE Notice 351.1 and that it appeared to be good news for retirees but less than good news for future workers at DOE sites. **The DOE Contractor Policy, DOE Notice 351.1, when issued in April stated that: "Currently, the majority of Contractor Defined Benefit pension plans have accrued liabilities that exceed the value of assets in the plan trust funds, although the plans continue to have assets sufficient to meet all current obligations". The simple explanation to this DOE statement is that the majority of DOE contractors have pension plans that are not fully funded. According to newspaper articles, DOE had incurred \$11.6 billion in unfunded liabilities for contractor retirees as of the 2005 fiscal year.** In early June, DOE held the first of a series of planned meetings to present and discuss 351.1 in Oak Ridge. It was scheduled by Oak Ridge Congressional Representative Zach Wamp. The meeting was very noisy and may have resulted in the action taken later by DOE. You can read the newspaper write-up on the Oak Ridge meeting at the following link:

http://www.knoxnews.com/kns/local_news/article/0,1406,KNS_347_4795612,00.html

The DOE Notice 351.1 that that is referenced above and which caused all the hubbub can be found at this web link:

<http://directives.doe.gov/pdfs/doe/doetext/neword/351/n3511.pdf>

Since that last Newsletter and the Oak Ridge meeting mentioned above, **DOE Secretary Bodman directed the DOE Office of Management to suspend Notice 351.1, Contractor Pension & Medical Benefits Policy, for 1**
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year effective immediately. It's too early to know the impact of this action, if any, on SRSRA members and current SRS employees; but as our Chairman pointed out earlier in this Newsletter, we will take this time to assess any issues the retirees have with this policy. We will pass along our thoughts and concerns to our Congressional representatives, to DOE SROO, and, of course, to our membership.

WSRC and WGI EMPLOYMENT OPPORTUNITIES

We have been asked if members of the SRSRA are interested in temporary assignments at WSRC or Washington Group International. If you would like to be considered for such employment opportunities, please send your resumes to the address at the top of this page, Attention: C. E. Sessions, or you can email him at: CESessions@bellsouth.net.

SRS ACTIVITIES

Liquid Waste Processing Demonstration

Washington Savannah River Company (WSRC) has met an important U.S. Department of Energy (DOE) milestone in processing radioactive liquid waste for safe, long-term storage at the Savannah River Site (SRS). The achievement came via successful demonstration testing of specialized equipment, known as centrifugal contactors, for the Modular Caustic Side Solvent Extraction Unit (MCU), a new process designed to remove radioactive cesium from millions of gallons of liquid salt waste solution stored at the Site. Once the cesium is removed from the radioactive salt solution, the remaining low-level waste may be mixed (in another process) with a special concrete for on-Site long-term storage. Emptying waste tanks and meeting its tank closure obligations to the State of South Carolina are among DOE's highest priorities. Utilizing MCU as an interim waste treatment process is a significant step in implementing DOE plans for cleanup and closure of the SRS Tank Waste System. Though centrifugal contactors have been used within the Site's chemical separations facilities for decades, this technology has been modified to support the removal of radioactive nuclides from liquid waste for the first time within the history of the nuclear industry. MCU construction completion is expected by the end of 2006, followed by testing of the entire MCU production process. The MCU project is scheduled to be operational in 2007 and expected to operate for approximately three years, as an interim process, until the Salt Waste Processing Facility (SWPF) fulfills this function, beginning in 2011

Safety Milestone

Last month, SRS Construction completed eight years without a work-related lost time injury or illness. The last lost-time injury was on June 23, 1998. At the end of June, SRS Construction employed 782 Bechtel construction craft workers and 218 non-manual employees.

F and H Canyons Status

The Savannah River Site (SRS) facility known as FB Line, which produced one-third of the nation's weapons-grade plutonium during the Cold War, has been deactivated and is now "cold, dark, and dry." As deactivation

work in F Area has been completed over the past three years, personnel have been reassigned elsewhere at SRS. With the deactivation of this key facility, more than 85 percent of the F Area workforce is now free to focus on other SRS clean-up priorities. Completing deactivation in F Area results in a savings of about \$130 million per year. Access has been reduced to quarterly entries to ensure the facility remains in a safe, environmentally sound condition until closure during the final phase of decommissioning.

H Area Canyon workers recently completed the final dissolution and processing of SRS reactor fuels. The last fuel assemblies to be dissolved, known as Mark 22's, were fuel assemblies that were fabricated in SRS's M Area for future irradiation in SRS reactors. These particular assemblies were never irradiated; they have been stored at SRS's K Area Complex since the site's reactors were shut down in the late 1980s. Dissolution and processing of the Mark 22 fuel assemblies marks a major milestone in the disposition of SRS legacy radioactive materials. Processing of the Mark 22's was part of the culmination of the highly enriched uranium (HEU) Blend Down Program. The HEU Blend Down program was designed to convert fuel assemblies, and other materials, into a form suitable for use in commercial reactors. In this program, highly enriched uranium is blended with depleted uranium to create low-enriched uranium for commercial reactor fuel elements.

The F-Canyon has been deactivated over the last 2 years. During a recent Citizens Advisory Board (CAB) Meeting, DOE and WSRC confirmed that the H-Canyon is currently scheduled to complete its last defined processing mission in the middle of CY-2007! This could obviously be a tragic mistake if we lost both of these capabilities, and the decision is being appealed to senior DOE/HQ staff. At the CAB meeting, DOE and WSRC officials invited inputs from knowledgeable citizens to recommend potential, future missions to keep H-Canyon active. One suggestion, for example, is to process the 13-plus tons of "dirty" plutonium currently stored at SRS, and forward the resulting "clean" plutonium to the MOX facility. **If you have any suggestions for other useful missions for H-Canyon in the near future, please send a brief description – maximum a half page – to Mike French via our SRSRA mailbox.**

Glass Waste Storage Building #2

The U.S. Department of Energy (DOE) recently started radioactive operations of its Glass Waste Storage Building #2 (GWSB#2) at the Savannah River Site (SRS). This facility will safely store waste after it is processed into stainless-steel-clad glass cylinder forms in the Defense Waste Processing Facility (DWPF). The GWSB#2 project is the culmination of a two-year effort, directly managed by the Department of Energy and completed 2 months ahead of schedule and \$8 million under cost.

SRS Budget Information

Early last month, the FY-07 projected budget for Environmental Cleanup (EM) at the Site managed by WSRC was approximately \$200 M dollars less than the current Fiscal Year! Now there is a bit of good news. By the end of July, thanks to the hard work by members of our Congressional Delegations and others, DOE successfully reprogrammed some \$92 M for the FY-07 SRS EM program that was formerly allocated to the Idaho site. The money was made available as a result of a cancelled project at Idaho. This still leaves over \$100M less than this fiscal year, but it is hoped that significant additional funding can be found and reprogrammed for the SRS EM FY-07 budget. It should be emphasized that this financial problem for WSRC will **NOT** impact the pension and medical benefits of retirees.

MEMBERSHIP

Our membership at this point in 2006 is 928! That leaves us just at the highest number of active members (928 in 2005) that the SRSRA has ever had. But there is still plenty of time this year to reach our goal of 1,000 members in 2006. You can help us out by asking your SRS retiree friends and neighbors if they have joined yet. If not, hook them up to our website, or have them send their information to the address at the top of this page. **Our new Membership Chairman, Ed Somers, has promised to reach the 1000 member goal by year end 2006. Please step up and help him achieve it!**

NEWSLETTER MAILING

We still experience incorrect e-mail addresses and bounced communications to our membership. If you have an active e-mail address, or have changed your address recently, and are not receiving SRSRA communications by e-mail please contact membership@srsretirees.org. Our e-mail program has allowed us to reach members more quickly; with quicker distribution of the Newsletter; and less cost of copying and mailing hard copies to nearly 600 people. Thanks to all of you who are receiving your Newsletter by e-mail.

SRSRA WEB SITE

WHEN IN DOUBT, LOOK TO THE SRSRA WEB SITE!! The SRSRA web site is intended to be a useful source of current information of special interest to all its members. Let us know if it is -- or is not -- meeting your needs!

The Organization page has been updated to list the current BOD members and new officers. The Committees page has been updated to show the current Committee Chairman and committee members. Goals for each committee are being reviewed and defined and will be posted on the web site when complete.

New information has been added on the Medical Benefits and Glossary pages, the latter addition being the definition of the term, "carve out", which determines how BCBS pays its part when Medicare is the primary insurer for a retiree. Understanding this term is important to understanding the BCBS reimbursement policy.

Finally, a link has been added on the Pension Benefits page to point to the "Senate Subcommittee on Retirement Security and Aging". (Georgia Senator Johnny Isakson sits on this Committee.)

The home page gives information about how to join the SRSRA; tells where the meetings of the Board of Directors take place; and invites any SRSRA member to attend those meetings. It also enables sending email to the BOD. In addition, the home page usually focuses on a topic of current interest to all members. Likewise, it includes links to some government web sites that provide more information on that subject. Look at the home page for information on accessing the rest of the Site.

We are continuing to revise, restructure and update the web site. If you have found useful links pertaining to any aspect of our focus on Retiree Benefits that are not already on our web site, please tell us so that we can add them to the site. Just send an email to: webmaster@srsretirees.org.

BOARD MEETING DATES, TIME AND LOCATION

The SRSRA Board of Directors is meeting at 10:00 A.M. in the Conference Room of the Hampton Inn on Whiskey Road/Route 19 South near the Aiken Mall. The meeting dates for 2006 are: September 12, October 3, November 7, and December 5. Association members may attend and participate, but may not vote on Board issues. If you plan to attend, be sure to contact a BOD member to confirm that the meeting date and time has not changed.

TREASURER’S REPORT - Stan Smith, Treasurer

June 30, 2006 marked the end of fiscal year 2005-2006. The following is a general accounting of our financial activities during that period.

BALANCE 6/30/2005	\$20,402.38
INCOME FY 05-06	10,472.50
EXPENSES FY 05-06	<u>5,832.45</u>
BALANCE 6/30/2006	\$ 25,042.43

FY 05-06 EXPENSE SUMMARY

PRINTING	\$ 1,615.66
RENTAL*	966.00
WEBSITE	785.00
POSTAGE	694.00
ADVERTISEMENTS	671.70
DEPOSIT REFUNDS	432.50
REFRESHMENTS	413.58
SUPPLIES	<u>254.01</u>
TOTAL	\$ 5,832.45

* Rental includes monthly board meetings at the Hampton Inn and Annual Meeting theater rental.

ORA

There are many discount offers available through the ORA. With so many of our members still in the CSRA, we suggest you visit the ORA Offsite Web Page from your home computer and review what they have to offer. Go to: www.srs-ora.com .

VOLUNTEERS NEEDED – Herb Olsen, SRSRA Member

A program is being started that will enable North Augusta and Aiken law enforcement agencies to locate people who have wandered off because of Alzheimer’s, dementia, or autism disabilities. People who have these disabilities can be issued bracelet transmitters so that, if they wander off, law enforcement officers can locate them by using tracking devices. A key part of the program is monthly monitoring of these people to change the batteries in the bracelet transmitter and to make sure it is functioning. Volunteers will be needed to

accomplish the monitoring program. **The program is called Project Lifesaver** and it is in place in various cities in the USA including the Myrtle Beach area, where it has been very successful. The program will begin in September. Ten bracelets have been ordered along with tracking devices, and training is being implemented. If a retiree is interested in volunteering for this program he or she can contact:

Herb Olson at 803 279 7599 or by e-mail hpolson1@comcast.net and
Captain Randy Mosley at 803-441-4270 or e-mail mosley@northaugusta.net

HEALTH CARE

PBS Health Care Series

You may be interested in the **PBS *Remaking American Medicine* television series**, which will air each Thursday night in October. The goal of the series is to urge consumers to know how to ask for better quality healthcare. Along with the national broadcast, a campaign aimed at improving South Carolina's healthcare will also begin. For more information, visit

http://www.myetv.org/television/productions/remaking_american_medicine/

The series tells the stories of individuals and institutions struggling to address the significant problems that now plague our health care system. The PBS series focuses on the breathtaking advances being made in improving the quality of patient care and will feature compelling profiles of providers and patients who are working together to change fundamentally the way health care is delivered in this country. The goal of *Remaking American Medicine* is to inspire and empower viewers, by demonstrating what transforming the quality of patient care can mean to all Americans.

Other Health Care News

The Carolina Medical Review organization that we list in our contacts list has had some changes. They have changed their company name from Carolina Medical Review to The Carolinas Center for Medical Excellence. They believe the new name better reflects their organization's role as the Medicare Quality Improvement Organization for South Carolina. Their office has also moved, but callers can still go through 1-800-MEDICARE to reach them. You may also visit their web site at www.thecarolinascenter.org.

The Carolinas Center for Medical Excellence (CCME) is the Medicare Quality Improvement Organization for South Carolina. Medicare consumers can contact CCME for several reasons:

1. To request a review of an early hospital discharge, or hospital-issued notice of non-coverage.

If a Medicare beneficiary or advocate disagrees with a letter stating that the beneficiary is medically ready to be discharged from the hospital, someone may contact CCME to request a review on behalf of the beneficiary. While this review is sometimes referred to as an appeal, it should not be confused with appeals regarding Medicare claims. CCME does not have the capability to view, process, or discuss beneficiary billing issues and Medicare concerns.

2. To request a review of an early discharge--or termination of services--from an outpatient setting such as a comprehensive outpatient rehabilitation facility (CORF), a skilled nursing facilities, hospice, or home health agency.

3. To request a review of a quality of care concern.

If the Medicare beneficiary has a concern about the quality of health care he or she has received, the beneficiary may contact CCME to request a quality review. CCME is unable to review complaints regarding food, cleanliness, employees, etc. (Those complaints should be referred to the health care facility itself or to DHEC when appropriate.) However, if the complaint is about medical care that would likely be recorded in a patient's medical record, CCME can review the complaint. Examples include: receiving the wrong medicine, having surgery in an inappropriate setting (outpatient verses inpatient), having the wrong surgery, etc.

Medicare also pays for professional mediation to help solve a quality-of-care concern under Medicare. Mediation is a meeting between a Medicare consumer and a healthcare provider, chaired by a third person (the mediator). If you have a quality of care concern or think you may qualify for mediation, contact CCME.

4. Outreach Events

CCME offers presentations (on a limited basis) to Medicare consumers and retiree groups. For more information, contact Andrea Fuller at afuller@scqio.sdps.org. or

Andrea C. Fuller, Outreach Specialist
The Carolinas Center for Medical Excellence
246 Stoneridge Drive, Suite 200
Columbia, South Carolina 29210
800-922-3089 (Toll Free); 803-251-2215 (local); 803-255-0897 (fax)

BC/BS SERVICE CONCERNS

We have many letters from retirees trying to get proper Blue Cross/Blue Shield reimbursement for their medical bills. Most of the problems occur when the retiree/patient lives out-of-state (i.e., no longer in SC). If you have records of BC/BS service problems to share with SRSRA members, please **send a letter outlining your case to both:**

John Church, Medical Benefits Committee
SRS Retiree Association
P.O. Box 5686
Aiken, SC 29804

And to:

Kaye Bozeman, Major Service Representative
I-20 at Alpine Road AV-100
Columbia, SC 29219

or e-mail your information to: KAYE.BOZEMAN@bcbsc.com, or fax: 1-803-264-9353. You can also call toll-free at: 1-800-288-2227 x44452, or as a last resort, call her at 803-264-4452

BENEFITS CONTACTS

People Support Service Center (a one-stop service for most HR and payroll activities and questions).

- ◆ **803-725-7772 (local area SC and GA)**
- ◆ **800-368-7333 (long distance)**
- ◆ service-center@srs.gov (e-mail contact for this new service)

◇ **Life, Health, Dental**

Becky Proveaux PS Svc. Ctr. #
Rosalee Bennett PS Svc. Ctr. #
Wanda McGee 803-725-0531
Cindy McClintock 803-725-7004

◇ **Pension**

Pat Smith 803-725-7722
Viola Best 803-725-1900

◇ **Internal Medicine Partners** 706-792-5075 (Annual Physical Examinations)

◇ **WSRC/BSRI Savings Plan** 800-360-2747 <http://resources.hewitt.com/wsrc>

◇ **Westinghouse Corp. Pension** 800-581-4222

◇ **Safety Eyeglass Office**

Tom Cuny 803-557-4340

◇ **Blue Cross/Blue Shield of SC** 800-325-6596

www.southcarolinablues.com

Option 1 for Medical

Option 2 for Dental

Option 3 for Pre-Cert/Med Authorization

◇ **Medicare Helpline** 800-633-4227

◇ **Medicare Web Site**

www.medicare.gov

◇ **Value Options** (mental health & substance abuse assistance) 800-333-6557

Savannah River Site Retiree Association, Inc.

*P. O. Box 5686
Aiken, SC 29804-5686*

August 16, 2006

The Honorable Lindsey O. Graham
United States Senate
290 Russell Senate Office Building
Washington, DC 20510

Subject: Request for Assistance Regarding the DOE New Benefits Policy 351.1

Dear Senator Graham,

The Department of Energy is actively pursuing issuance of a new benefits Policy, originally issued as Notice 351.1. The Policy is designed to control ongoing inflation of the DOE's cost reimbursements paid to operating contractors of DOE facilities for retiree and employee pensions, health and other benefits. This is to be done by shifting benefits costs directly on to the backs of plan beneficiaries.

Two areas of greatest impact on Savannah River Site (SRS) Retirees will be: 1) DOE's discontinuation of reimbursement for all future pension inflation adjustments, and 2) DOE's ability to force reductions in health care and other benefits. The SRS Retiree Association seeks your help in interfacing with DOE to ensure that our benefits are maintained as we discussed with you in your office in March 2004. Attached is the document listing our benefits objectives that Mr. David Cowfer and Mr. Michael French discussed with you during that meeting.

The SRSRA finds that the DOE Notice 351.1 is in opposition to the existing Savannah River Site specific WSRC Pension Plan that allows for ad hoc adjustments to pensions to offset the effects of inflation. The last ad hoc retiree pension adjustment, brought about in large part by your efforts, was granted in 2002.

Additionally, the SRSRA finds that a DOE Notice 351.1 goal is to reduce reimbursements for other benefits even when adjusted for inflation. The Policy is unclear as to whether or not existing benefit packages for both active employees and retirees will flow to the contractor who wins the rebid competition unchanged. The current Savannah River Site WSRC benefit programs predate the proposed new Policy. They are comparable to benefits packages offered by other large industrial companies. Notice 351.1 appears to direct all "new" benefits to be "Market-based". The "Market-based" methodology is designed to shift a higher percentage of benefit costs to the participants.

The SRSRA seeks clarification on the important contractor change question. Will benefits for current retirees remain unchanged following awarding of new contracts for the Savannah River Site? Thank you for your past support and we look forward to working with you in the future.

Sincerely,

Nick Kuehn
Chairman, SRS Retiree Association

cc: SRSRA Board of Directors
Attachment: SRSRA Benefits Objectives Discussed with Senator Graham in DC March 2004

August 8, 2006

Savannah River Site Retiree Association Benefits Mission Statement: The objective of the Savannah River Retiree Association (SRSRA) is to maintain and protect benefits that have been given to retirees while keeping open the ability to work for future periodic pension adjustments to help offset inflation.

The following is a list of some of the benefits that the Association wants to protect:

- Pension Plan
- Enhanced pension plan benefits granted to retirees who participated in the 1993 and 1995 Early Retirement and Voluntary Separation Programs
- Cost of Living increase granted to pre-May '99 Pension Plan participants
- Medical and Dental benefits
- No medical and dental premiums for pre'98 retirees electing standard coverage
- WSRC commitment that retirees will continue to receive prescription coverage through the Medical Plan and not be forced onto Medicare for prescription drug reimbursement
- Life Insurance (non-contributory and contributory)
- Savings and Investment Plan

To protect retiree benefits, the SRSRA proposes that the following language be made an integral part of the SRS RFP:

QUALIFICATION CRITERIA

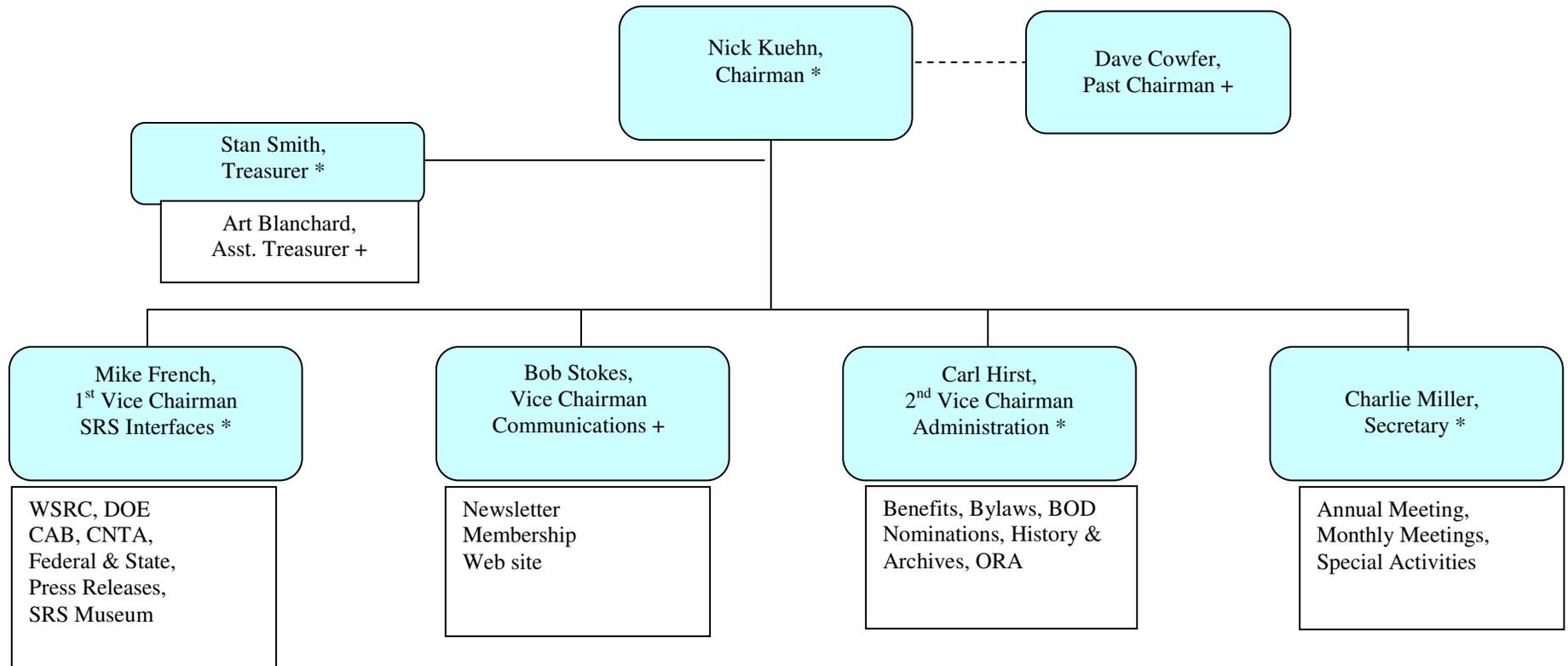
Below are listed the Qualification Criteria applicable to this procurement. Offerors who fail to fully satisfy each criterion will receive no further evaluation.

(A) Continuity of Employment and Benefits

The offeror must agree to: (1) honor accrued benefits as of September 30, 2006 for all employees and for all retirees of the Westinghouse Savannah River Company Team under Contract No. DE-AC09-96SR18500, at time of transition, (2) provide the above referenced employees and retirees a pension plan and all other retiree benefit programs (qualified and unqualified) for which all benefits and accruals under the current WSRC/BSRI contract will be honored and maintained, and (3) retain and honor accrued legacy benefits that have been provided to referenced retirees consisting of both "qualified and non-qualified plans" including medical and prescription drug coverage, dental, pension, life insurance, etc.,

(Ed. Note: The text of the two-page message above was also conveyed to Congressional Representative J. Gresham Barrett by separate letter during a meeting with him on August 9, 2006.)

Savannah River Site Retiree Association



* These are the Executive Officer positions, 1st and 2nd Vice Chairs, Secretary, and Treasurer, and are elected by the Board of Directors.

+ This position is delegated by the Chairman.

All elected or delegated positions, as well as other BOD members, will advise the Chairman upon his request.