

# Tentative Agreement between SMART-MD and Norfolk Southern

Amending all SMART-MD Agreements  
August 22, 2024

Initials  
M PEK

The following represents the tentative agreement between Norfolk Southern (Carrier) and the International Association of Sheet Metal, Air, Rail and Transportation Workers - Mechanical Department (SMART-MD) to amend their collective bargaining agreements in advance of the 2025 round of national bargaining and in full and final satisfaction of the parties' rights to serve notice and amend their agreements, relative to the 2025 round of national bargaining, pursuant to the moratorium provisions of the agreements and the Railway Labor Act, as amended, 45 U.S.C. § 151, et seq.

The parties agree that this tentative agreement constitutes a single, complete and comprehensive package agreement, that the agreement is subject to unconditional approval or ratification as a whole in accordance with each party's internal governance and procedures, and that no part of this agreement may be modified or rejected without modification or rejection of the agreement in its entirety.

- 1. General Wage Increases
  - July 1, 2025 - 4.0%
  - July 1, 2026 - 3.75%
  - July 1, 2027 - 3.5%
  - July 1, 2028 - 3.25%
  - July 1, 2029 - 3.0%

## 2. Vacation for New Hires (Year 0)

Effective January 1, 2025, new hire employees working full-time to have paid vacation days, to be taken as single day vacation subject to all applicable rules, based on their date of hire month (in Year 0) as follows:

- January/February 5 days
- March/April 4 days
- May/June 3 days
- July/August 2 days
- September/October 1 day

\*Employees working alternative work schedules will earn this entitlement in accordance with local agreement rules.

## 3. Vacation Year 1 Non-qualifying Employees

Effective January 1, 2025, employees working full-time in their second calendar year of employment (Year 1) who did not qualify for vacation in the prior year (Year 0) under the National Vacation Agreement but who worked a full-time schedule will have five (5) paid vacation days subject to all applicable rules.

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NS <sup>DS</sup> SMART-MD <sup>Initial</sup> <sup>Initial</sup>  
*[Handwritten initials: NS, JM, PEK]*

4. Vacation Accrual Acceleration

Effective January 1, 2025, the collective agreement provisions with respect to granting of vacation will be amended to reflect the following accrual schedules:

- Two (2) or more years 10 days
- Six (6) or more years 15 days
- Fifteen (15) or more years 20 days
- Twenty-three (23) or more years 25 days

5. Single Day Vacation

Effective January 1, 2025, employees will be permitted to take five (5) days of their accrued vacation allowance as single vacation days within each calendar year, subject to all applicable rules. This will not impair any agreements providing for the scheduling of more than five (5) days of vacation as single day vacation.

6. Health and Welfare

The following provisions are expressly contingent upon authorization, approval and implementation by the National Carriers' Conference Committee (NCCC) as an administrator for The Railroad Employees National Health & Welfare Plan.

- A. Effective January 1, 2025, coverage for surviving dependents will be extended through the end of the sixth (6<sup>th</sup>) month following the month in which the employee dies.
- B. Effective January 1, 2025, plan benefits will include male sterilization procedures (i.e., vasectomy), not including reversals.
- C. Effective January 1, 2025, the individual annual maximum dental benefit will be increased from \$1,500 to \$2,500, and the individual lifetime maximum orthodontia benefit will be increased from \$1,000 to \$2,500.
- D. Effective January 1, 2025, the vision frame allowance will be increased from \$115 every two years to \$250 every two years.
- E. Effective January 1, 2025, the monthly payment for employees who elect to opt-out of coverage under the national health and welfare plan will be increased from \$100 to \$200.
- F. Effective January 1, 2025, or as soon as reasonably practicable thereafter, the plan will offer a new medical coverage option with a reduced employee-only rate.
  - 1) There will be a single funding pool to include existing plan options and the new reduced-rate option.

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NS <sup>DS</sup>                      SMART-MD <sup>Initial</sup>  JM  <sup>Initial</sup>  PEK

- 2) The employee-only reduced-rate option employee monthly contribution will be ten percent (10%) of the carrier’s monthly payment rate, and will be subject to the provisions of the Side Letter covering contribution rates during the post-2030 amendable period (attached).
- 3) The reduced-rate option will be HSA eligible.
- 4) The reduced-rate option will have the following plan design features:

	In Network	Out of Network
<b>Deductible</b>	\$2,500	\$5,000
<b>Out of pocket maximum</b>	\$5,000	\$10,000
<b>Coinsurance – office visits and in/outpatient care</b>	90% after deductible	70%
<b>RX – generic coinsurance (retail and mail order)</b>	10% after deductible	75% of R&C
<b>RX – formulary (retail and mail order)</b>	20% after deductible	75% of R&C
<b>RX – non-formulary (retail and mail order)</b>	30% after deductible	75% of R&C
<b>Employee contributions</b>	10% of payment rate (2025 = \$206/month)	


G. Effective January 1, 2025, the following medical and prescription drug plan rules and practices will be implemented:


- 1) Improper billing detection and mitigation programs where available with the plan’s medical vendors.
- 2) Out of network referenced-based pricing programs where available with the plan’s medical vendors.
- 3) Full utilization management rules package for specialty drugs and four additional non-specialty therapeutic classifications (anti-infective agents, central nervous system, gastroenterology and ophthalmology)

H. Monthly Employee Cost-Sharing Contributions (n/a to reduced-rate option)

- 1) Effective January 1, 2025, each employee covered by this Agreement shall contribute to the Plan, for each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for the employee and/or the employee's dependents, a monthly contribution equal to 15% of the Carriers' Monthly Payment Rate. Effective on each subsequent January 1, the monthly employee cost-sharing contribution shall be adjusted to reflect 15% of the Carrier's Monthly Payment Rate for the relevant year.
- 2) For purposes of subsection (a) above, the "Carrier’s Monthly Payment Rate" for any year shall mean one twelfth of the sum of what the carrier’s monthly payments to –
  - a. the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,
  - b. the Dental Plan for employee and dependent dental benefits, and

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SMART-MD 

<sup>Initial</sup>  


c. the Vision Plan for employee and dependent vision benefits,

would have been during that year, per non-hospital association road employee, in the absence of any employee contributions in the aforementioned plans.

I. If existing national health care legislation is repealed, the parties will meet and confer on a voluntary basis to discuss the benefits that were previously mandated.

7. This Agreement will remain in effect through December 31, 2029 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended. Neither party to this Agreement will serve or progress, prior to November 1, 2029 (not to become effective before January 1, 2030), any notice or proposal pursuant to Section 6 of the Railway Labor Act, however this does not prevent the parties from proposing or agreeing upon any subject of mutual interest.

Appended:




Side Letter regarding employee monthly contributions to health and welfare plan

\_\_\_\_\_  
Wai Wong  
VP Labor Relations, NS

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John McCloskey  
General Chairperson, SMART-MD



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NS <sup>DS</sup>  SMART-MD <sup>Initial</sup>  <sup>Initial</sup> 

John McCloskey  
General Chairperson  
International Association of Sheet Metal, Air, Rail  
& Transportation Workers - Mechanical Department  
25 Amanda Circle  
Bear, DE 19701

Dear Mr. McCloskey:

This confirms our understanding and agreement regarding employee contributions to the Railroad Employees National Health and Welfare Plan. For each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for themselves and/or their dependents, a monthly cost-sharing contribution by the employee shall be made in an amount equal to 15% (fifteen percent) of the Carrier's then current Monthly Payment Rate. In the event new collective agreements are not negotiated and ratified prior to January 1, 2031, the monthly cost-sharing contribution will not be increased beyond the rate last established under the terms of the January 1, 2025 agreements.

Upon ratification of successor agreement(s), the full 15% employee contribution rate will be reinstated unless otherwise agreed. If the negotiations for such successor agreement(s) result in retroactive wage increases applicable for the period that the parties are in negotiations and the employees' monthly contribution to the Health and Welfare Plan would have otherwise exceeded the rate established under the predecessor agreements, retroactive application will also be applicable to those contribution increases.

This arrangement shall not be cited in future negotiations under Section 6 of the Railway Labor Act (up through and including a Presidential Emergency Board or interest arbitration) as a reason or justification for any future increase in compensation or limit or reduction in employee health care contributions.

Please acknowledge your agreement by signing in the space provided below.

Sincerely,

\_\_\_\_\_  
Wai Wong  
VP Labor Relations, NS

I Concur:

\_\_\_\_\_  
John McCloskey  
General Chairperson, SMART-MD

# International Association of Sheet Metal, Air, Rail and Transportation Workers

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1750 New York Avenue, N.W.  
Suite 600  
Washington, DC 20006



Phone: (202) 783-5880  
[www.smart-union.org](http://www.smart-union.org)

## Railroad Mechanical Department

September 6, 2024

TO ALL SMART-MD NORFOLK SOUTHERN RAIL MEMBERS

Dear Brothers and Sisters:

We have reached a tentative agreement (TA) covering Sheet Metal Workers employed by Norfolk Southern (NS), which, if ratified, would resolve the next round of negotiations between NS and SMART-MD.

As you are aware, the last round of National Negotiations with the class I freight railroads was unprecedented. Members faced the Covid-19 global pandemic. The class I freight railroads dragged out negotiations with their exceptionally unreasonable demands for substantial health and welfare benefit concessions, dramatically increased employee monthly cost-sharing coupled with general wage increases that would have a net result of approximately 13% - an amount that woefully short of inflation at that time. As a result of these unreasonable proposals, a voluntary settlement was impossible due to the recalcitrance of the railroads, and we ended up before a Presidential Emergency Board ("PEB 250"). Following the PEB, SMART-MD and the class I freight carriers, including NS, reached a tentative agreement based on PEB 250's recommendations, and was ultimately ratified by the Members, resulting in the October 12, 2022 National Agreement. While that round was ultimately resolved, the fact remains that Members worked for over two years without raises while being subjected to high inflation along with the added threat of illness and uncertainty of their working conditions. The carriers' delay of substantive negotiations was needless but was nevertheless consistent with how negotiations have historically functioned.

Since then, SMART-MD had been preparing for another long round of contentious negotiations with the class I freight railroads, including NS, commencing in 2025. But something unanticipated and unprecedented happened: for the first time in nearly six decades, a few class I freight railroads, including NS, have elected to negotiate on an individual carrier basis which resulted in a Tentative Agreement (TA). This TA provides SMART-MD members with real wage increases coupled with improvements to paid time off and benefits without a quid pro quo demand for substantial concessions from you. We believe this offer to be reasonable and have reached a TA that is now submitted before you and your peers for consideration.

In this regard, the TA is for 5-years and includes: 17.5% in annual general wage increases (over 18.75% compounded over the life of the agreement); up to five (5) paid vacation days for new hire employees based on a pro-rated schedule in their first calendar year of employment; five (5) paid vacation days for employees in their second calendar year of employment; and tenured employees

qualifying for 15, 20 and 25 paid vacation days two (2) years sooner for each respective allotment than the current National Vacation schedule qualifying requirements.

The TA also provides improvements to the individual annual maximum dental benefit from \$1,500 to \$2,500 and increases the individual lifetime maximum orthodontia benefit (i.e., braces) from \$1,000 to \$2,500. Vision benefits are also improved, with an increased frame allowance of \$250 every two years, instead of \$115.

The TA continues to provide your traditional health insurance benefits under the National Health and Welfare Plan with no changes or increases to your copays, deductibles, and annual out-of-pocket maximums under your current health insurance benefits. The Employee monthly-cost share will continue to be at 15% of the carrier's monthly payment rate under these benefits, which is anticipated to be at or below \$309.21 per month beginning January 1, 2025. Your traditional National Plan health insurance benefits will also have a maximum employee monthly cost-share contribution capped at 15% of the carrier's monthly payment rate for calendar year 2030 if the parties are unable to reach another agreement on or before January 1, 2030.

Alternatively, Employees will now have the option to select coverage under an entirely new *Employee-only* high-deductible health plan (HDHP) benefit offered under the National Health and Welfare Plan. Employees who select the HDHP benefit will have a reduced monthly-cost share payment at 10% of the carrier's monthly payment rate, which is anticipated to be at or below \$206 per month beginning January 1, 2025. ***NOTE: The HDHP benefit is not mandatory and only applies to Employees that select and enroll in such benefits.***

Both plan designs will also provide new coverage for male sterilization procedures (i.e., vasectomy), while only the non-HDHP National Health and Welfare Plan benefits provide for surviving spouse and dependent insurance coverage increases from (4) months to six (6) months. Employees who entirely elect to opt-out of coverage under the National Health and Welfare Plan will now be paid \$200 per month instead of \$100 per month, but they will continue to have dental, vision and life insurance benefits.

Overall, this TA contains real wage increases, improved paid time off and health and welfare benefits without any concessions and in timeframe that is certain. These improvements and this certainty have value however, you and your fellow SMART Mechanical coworkers are the individuals that must ultimately decide if the terms of the tentative agreement are satisfactory. We ask that each of you take the time to review the information regarding the Agreement, as contained in this packet and available online at [www.smart-union.org](http://www.smart-union.org) or [www.smart-gc2.com](http://www.smart-gc2.com), and cast your vote accordingly.

You can cast your vote through one of three ways: 1) By secret paper ballot sent via U.S. Mail (enclosed); 2) By Telephone; or 3) Online. *Your vote will remain secret no matter which method you utilize to vote.* The American Arbitration Association (AAA) will be conducting the vote count. **Your ballot must be cast and received by AAA no later than 11:59 PM (Eastern Time) on Thursday, October 3, 2024.** AAA will count the votes beginning at 8:00 AM (Eastern Time) on Friday, October 4, 2024. Only votes that are properly and timely cast will be counted.

If you do not properly and timely cast your vote, it will not be counted. If you lose your ballot, please contact AAA at **1-866-273-0726** to request a replacement ballot.

Please take the time to review the information and cast your vote for the Agreement accordingly.

In Solidarity,



Peter E. Kennedy  
Director



John McCloskey  
Directing General Chairperson



## SUMMARY STATEMENT OF SMART-MD AND NS TENTATIVE AGREEMENT

The terms of the tentative agreement between SMART-MD and Norfolk Southern (NS) are virtually identical to tentative agreements reached by other Rail Unions, including SMART-MD on CSX-T, NS and BNSF.

### Wages

General wage increases (GWIs) apply to all hourly, daily, weekly and monthly rates of pay in the following percentage amounts:

- July 1, 2025 ..... 4.00%
  - July 1, 2026 ..... 3.75%
  - July 1, 2027 ..... 3.50%
  - July 1, 2028 ..... 3.25%
  - July 1, 2029 ..... 3.00%
- Total    17.5%**

### Paid Time Off

#### *Vacation for New Hires (Year 0)*

Effective January 1, 2025, all new hire employees working full-time will receive paid vacation based on their date of hire month as follows:

- January/February    5 Days
- March/April        4 Days
- May/June            3 Days
- July/August         2 Days
- September/October  1 Day

#### *Vacation for Employees in Year 1*

Effective January 1, 2025, all employees working full-time in their second calendar year of employment (Year 1) who did not qualify for paid vacation in the prior year (Year 0) under the National Vacation Agreement, will receive five (5) paid vacation days.

#### *Vacation for Tenured Employees – Accelerated Accrual*

Effective January 1, 2025, the years of service vacation eligibility requirements will be amended as reflected below:

- ~~Eight (8)~~ Six (6) or more years            15 days
- ~~Seventeen (17)~~ Fifteen (15) or more years    20 days
- ~~Twenty-five (25)~~ Twenty-three (23) or more years 25 days

### *Single Day Vacation Use*

Employees will be permitted to take up to five (5) days of their paid vacation as single vacation days, effective January 1, 2025.

## **Health and Welfare**

### *Employee Opt-Out Payment*

The current monthly employee opt-out payment of \$100 is increased to \$200 per month if an employee opts out of coverage for health and welfare benefits under the National Health and Welfare Plan. Employees that opt-out of coverage still receive dental, vision and life insurance benefits and do not pay the employee monthly cost-share contribution.

### *Traditional National Plan Benefits*

There are no changes in service copays, deductibles, or out-of-pocket maximums under the current Traditional National Plan Benefits.

### *Employee Monthly Cost-Sharing Payment – Tradition National Plan Benefits*

- The employee monthly cost-sharing payment structure remains the same as it was under the October 12, 2022 National Agreement, which is equal to 15% of the carrier's monthly payment rate. The employee monthly cost-sharing payment is currently \$309.21 and it is currently projected to remain the same or be reduced for calendar year 2025.
- The Employee Monthly Cost-Sharing Payment is capped at the lesser of 15% of the carrier's monthly payment rate beginning January 1, 2030 unless and until changed by mutual agreement or future negotiations.

### *Employee-Only High Deductible Health Plan Benefit*

There is a new Employee-Only High Deductible Health Plan benefit coverage option, effective January 1, 2026, or as soon as reasonably practicable. **EMPLOYEE-ONLY HDHP BENEFITS ARE NOT MANDATORY.** Employee-Only HDHP coverage only applies to Employees that actively select such coverage, which has different cost-sharing designs than the Tradition National Plan Benefits, as outlined in the following chart.

<b>EMPLOYEE-ONLY HDHP PLAN</b>	<b>IN NETWORK</b>	<b>OUT OF NETWORK</b>
Deductible	\$2,500	\$5,000
<i>Out of Pocket Maximum</i>	\$5,000	\$10,000
<i>Coinsurance – Office Visits &amp; in/outpatient care</i>	90% after deductible	70%
<i>RX – generic coinsurance (retail &amp; mail order)</i>	10% after deductible	75% of R&C
<i>RX – formulary (retail &amp; mail order)</i>	20% after deductible	75% of R&C
<i>RX – non-formulary (retail &amp; mail order)</i>	30% after deductible	75% of R&C

*Employee Monthly Cost-Sharing Payment – Employee-Only HDHP Benefits*

- Effective January 1, 2025 and on January 1 each year thereafter, the employee-Only HDHP Benefits monthly cost-sharing payment will equal 10% of the carrier’s monthly payment rate.
- The Employee-Only HDHP Benefits Monthly Cost-Sharing Payment *is not* capped.

*Optional Male Sterilization*

- Effective January 1, 2025, the Traditional National Plan Benefits and the Employee-Only HDHP Plans offer male sterilization benefits (i.e., vasectomy) that are subject to your respective plan design coverages (i.e., copays, deductibles, coinsurances and annual out-of-pocket maximums).

*Surviving Dependent Coverage Improvement*

- Effective January 1, 2025, coverage for surviving dependents of employees will be increased from four (4) months to six (6) months following the month an employee dies under the Traditional National Plan Benefits.

*Dental Benefits Improvements*

- Effective January 1, 2025, individual annual maximum for dental benefits is increased from \$1,500 to \$2,500.
- Effective January 1, 2025, individual lifetime maximum for orthodontia benefits is increased from \$1,000 to \$2,500.

*Vision Benefits Improvement*

- Effective January 1, 2025, the vision frame allowance is increased from \$115 every two years to \$250 every two years.

## **Moratorium**

The Agreement is effective through January 1, 2030. On or after November 1, 2029, SMART-MD or NS or their designated bargaining representative may serve notice to change the terms of the agreement, with such changes to be effective no earlier than January 1, 2030.

**SMART-MD and NS  
TENTATIVE WAGE AGREEMENT  
Based on Pipefitter's Rate of Pay  
August 2024**

<b>Effective Date</b>	<b>General Wage Increase</b>	<b>Hourly Wage</b>
January 1, 2025	<i>Amendable</i>	\$40.98
July 1, 2025	4.00%	\$42.62
July 1, 2026	3.75%	\$44.22
July 1, 2027	3.50%	\$45.77
July 1, 2028	3.25%	\$47.26
July 1, 2029	3.00%	\$48.68
January 1, 2030	<i>Amendable</i>	\$48.68
Increase Over 5-Year Term Increase Per Year		<b>18.8%</b> <b>3.50%</b>
Total Value Over 5-Year Term		<b>\$41,184.00</b>

Note: Values based on 40-hour workweek or 173.33 straight time hours per month.



## QUESTIONS & ANSWERS

### **Wages**

Q1: What are the general wage increases?

A1: 4% July 1, 2025; 3.75% July 1, 2026; 3.5% July 1, 2027; 3.25% July 1, 2028 and 3% July 1, 2029, for a total of 17.5% (over 18.75% when compounded).

Q2: What will my straight time hourly rate of pay be by July 1, 2029?

A2: Your current hourly rate of pay is \$40.98 per hour, so by 2029, your hourly rate of pay would be approximately \$48.68 per hour, a difference of \$7.70 per hour of approximately \$308 per week in straight time earnings based on a forty (40) hour workweek.

Q3: If I vote in favor of the tentative agreement, will I receive back pay?

A3: If the tentative agreement is ratified, there will not be a delay in the implementation of any general wage increases as there historically is with National Negotiations. Under this tentative agreement, the next general wage increase is July 1, 2025.

Q4: When will I receive other general wage increases?

A4: If the tentative agreement is ratified, you also will receive general wage increases annually on July 1<sup>st</sup> of 2026, 2027, 2028 and 2029.

Q5: When will I receive backpay and general wage increases if the tentative agreement is not ratified?

A5: It is unknown when exactly you would receive a general wage increase or backpay if the tentative agreement is not ratified. However, it is known that you will not have any changes to your current rates of pay and working conditions unless and until a new agreement is reached in accordance with the negotiations processes required under the Railway Labor Act.

## **Paid Vacation**

Q6: I just hired on the railroad; am I eligible for paid vacation starting January 1, 2025?

A6: Yes, you will have five (5) paid vacation days effective January 1, 2025.

Q7: I have six (6) years of service. Does this mean I will have fifteen (15) paid vacation days effective January 1, 2025, instead of ten (10) days?

A7: Yes, provided you have met the compensated service requirements under the National Vacation Agreement.

Q8: I have fifteen (15) years of service. Does this mean I will have twenty (20) paid vacation days effective January 1, 2025?

A8: Yes, provided you have met the compensated service requirements under the National Vacation Agreement.

Q9: I have twenty-three years of service. Does this mean I will have twenty-five (25) paid vacation days effective January 1, 2025?

A9: Yes, provided you have met the compensated service requirements under the National Vacation Agreement.

Q10: I have over twenty-five years of service. Does this mean I will have more than twenty-five (25) paid vacation days effective January 1, 2025?

A10: No.

## **Health and Welfare**

Q11: Are there increases in my copays, deductibles, coinsurances and out-of-pocket maximums under my current insurance benefits?

A11: No.

Q12: Is there an increase in my monthly cost-share payment under my current insurance benefits?

A12: The monthly cost-share under your current insurance remains at 15% of the carrier's monthly payment rate.

Q13: Can the railroad raise my employee monthly cost-share contribution at any time over the life of this agreement?

A13: No. The employee monthly cost-share contribution is typically established during an annual meeting with the railroads and the unions and is based on the Plan's projected insurance claims experience. The employee monthly cost-share contribution is a negotiated term of the tentative agreement as 15% and 10% of the carriers' monthly payment rate to provide for insurance benefits. The railroad cannot unilaterally raise your portion of the cost-share contribution at any time.

Q14: Will my current prescription drug benefits stay the same?

A14: Yes, your prescription drug coverage and copays are not changing. There will be a minor adjustment that is designed to prevent doctors from prescribing improper prescription drugs. Less than 2% of the participants that are covered under the National Plan will be impacted by this change.

Q15: Will my health insurance benefits stay the same then?

A15: Yes, *unless you select to enroll in the new employee-only high deductible health plan.*

Q16: Is the high deductible health plan mandatory?

A16: No. *The employee-only high deductible health plan is optional*, and you may choose to remain in the existing traditional National Plan benefits if it is a better fit for your personal needs. You will have the option to enroll in the employee-only high deductible health plan during annual open enrollment beginning in October 2025 for coverage in Calendar Year 2026.

Q17: Can I enroll myself and my dependents in the high deductible health plan?

A17: No. It is only for employees that want coverage for themselves and no one else in their family.

Q18: If I select the high deductible health plan, will I still have vision, dental benefits and life insurance benefits?

A18: Yes.

Q19: Will employees still be offered the opportunity to "opt-out" of the H&W Plan and be eligible for a monthly payment?

A19: Yes. The new monthly opt-out payment is \$200 per month.

Q20: If I opt out of all health insurance coverage, will I still have dental, vision and life insurance benefits?

A20: Yes.

Q21: Are my dependents eligible for health insurance benefits if I die?

A21: *Yes, if you are covered by the existing traditional benefits under National Health and Welfare Plan, your dependents will have continued coverage for six (6) months following the month of your death without any monthly cost-share contribution. They will also have a right to select COBRA coverage for additional months after the six (6) months of continued coverage because your death is a “qualifying life event” but it will be at the National Plan’s effective COBRA rate.*

Q22: I wear glasses and used my \$115 vision frame allowance earlier this year. Am I eligible for the \$250 frame allowance starting January 1, 2025?

A22: No. The frame allowance is available every two years. Accordingly, you would be eligible for the new \$250 allowance starting January 1, 2026. However, if you last used the \$115 vision frame allowance in 2023, then you would be eligible for the new allowance starting January 1, 2025.

Q23: My kids wear braces, and we reached their individual \$1,000 lifetime orthodontia maximum benefit last year, and they will still be wearing braces next year. Will they be eligible for the \$2,500 lifetime orthodontia maximum benefit on January 1, 2025?

A23: Yes, they will each be eligible for up to an additional \$1,500 in orthodontia coverage, subject to the rules of the Dental Plan, for any future costs. Costs already paid out of pocket prior to January 1, 2025, would not be eligible for reimbursement.

Q24: My wife and I do not want to have any more children. Does our health insurance benefits cover vasectomies?

A24: Yes, effective January 1, 2025, vasectomies are a covered benefit that are subject to any applicable copayments, deductibles, coinsurances and out-of-pocket maximums.

## **National Negotiations**

Q25: What will happen if the tentative agreement does not ratify?

A25: If the tentative agreement is not ratified, we will likely go through the traditional national negotiations processes, which will begin on or about November 1, 2024, when the railroads or the unions, including SMART-MD, are free to serve Section 6 Notices.