

Healthcare Update and Trustee Recommendations for August 2025 Wage Increase July 2025

Thank you to all members who participated in the Healthcare Trust survey that closed 7/3/25. The results for Limited Energy and Inside Wire were clear, with the majority of LE and IW members choosing to make a **substantial contribution** to the Healthcare Trust. The vast majority said <u>NO</u> to reduced benefits or a reduced hour bank.

	LE (298 participants)	IW (1443 participants)
Substantial contribution	71.14%	60.57%
Reduce dollar bank	23.49%	26.68%
Reduce benefits	5.37%	12.75%

With the work picture projected to be flat or potentially slower, we must ensure stability of our healthcare benefits to safeguard members' and our families' health and wellbeing. The last time the economy was this bad we were forced to cut benefits. We're not in that position now and don't want to be at that point again. This allocation out of a scheduled wage increase will help us avoid that outcome.

Our healthcare benefits consultants have projected that a minimum of \$.61 per hour needs to be allocated from both the IW and LE units to simply maintain the current level of funding. <u>To build reserves</u>, we need to contribute more than that.

With survey results showing that the vast majority of members prefer a strong contribution from the wage allocation over reduced benefits or a decreased dollar bank, the upcoming wage allocation survey will reflect that choice.

The Healthcare Trustees' recommendation is to contribute an amount that both maintains the funded level of healthcare benefits and builds back reserves.

Limited Energy: \$1.50 August increase. Vote between \$.65 to maintain funded level or \$.75 to build reserves. <u>Trustees recommend \$.75 to maintain funding and build reserves</u>.

Inside Wire: \$2.00 August increase. Vote between \$.65 to maintain funded level or \$.75 to build reserves. <u>Trustees recommend \$.75 to maintain funding and build reserves</u>.

All participants in the PSEW Healthcare Trust are being asked to contribute to cover their own costs. Trustees are working with NECA to increase funding for NECA's impacted employees as well. With all of us working together we will weather the storm and stay the strong Union family we are.

Watch for a new survey to be sent early next week. Please reach out with any questions.

Enjoy a safe and happy 4th of July! Your Healthcare Trustees, Sean Bagsby, Nicloe Grant, and Gillian Burlingham