

PROTECT RETIREE HEALTH PLANS
Stop the EEOC Ruling on Retiree Coverage

April 29, 2004

Attached is a letter to the EEOC to protest their proposed final rule of April 24, 2004, which would permit employers to reduce or eliminate the retiree health benefits they offer to older, Medicare-eligible retirees.

The Age Discrimination in Employment Act (ADEA) made it illegal for employers to treat older workers or retirees differently from anyone else. Now the EEOC has decided to make an exception for retiree health benefits. Employers now can "coordinate" the benefit with Medicare and similar state plans. That allows employers to keep offering coverage to younger retirees, while reducing or stopping benefits to retirees once they reach Medicare eligibility -- typically, age 65. Without this exemption, that would be age discrimination.

The EEOC was created in 1965 to protect employees from illegal discrimination, and since then it has fought to protect workers who have been discriminated against because of their race, sex, disability, pregnancy, national origin, and age. Yet this proposed rule runs counter to this mission.

For the first time, the EEOC will amend its regulations to allow for discrimination. More than 12 million Medicare beneficiaries currently receive benefits from their former employers. If the rule takes effect, there will be nothing to prevent employers from altering, reducing, or even eliminating the health benefits of any retiree over the age of 65.

This is nothing more than age discrimination, and it must not be allowed. If you are interested in signing onto the attached letter or if you have further questions, do not hesitate to contact Brian Branton at 5-0855.

With warm regards,

David Wu
Member of Congress