



## AIR TRANSPORT DISTRICT LODGE 142



2016 - 144

January 3, 2017  
File: AS-1

### **VICTORY IN ALASKA AIRLINES HMO ARBITRATION**

The IAM won an important arbitration on behalf of its members at Alaska Airlines today. The IAM-Alaska System Board of Adjustment, through Arbitrator John LaRocco, ruled that Alaska has been violating its contractual obligation to contribute the same amount to its HMO plans as it does for the same tier of coverage for PPO plans for Clerical, Office, and Passenger Service employees. This award should reduce the health care costs of nearly all IAM COPS members who are enrolled in the Kaiser South HMO.

The grievance, filed in May 2014 by Rachael Ackerman, challenged Alaska's failure to contribute the "same amount" to an HMO plan as it does for a PPO plan as required by Article 25(D)(2) of the COPS Agreement. Instead, Alaska only paid the same amount for the HMO if the HMO total cost was equal to or greater than the PPO. The Board found that as a result of Alaska's actions, COPS employees enrolled in the Kaiser South HMO paid more than they should have for their health care coverage.

Arbitrator LaRocco stated that the contract language in question, drafted by Alaska for the 2006 agreement, is clear and unequivocal: the Company must pay the same amount for HMO coverage as it contributes to the same coverage for the PPO plan. Alaska instead covertly implemented its own practice, without informing the IAM, which our agreement does not allow. The Board ruled that Alaska never provided either the Union or employees with adequate information to detect the change.

The Board ordered Alaska to cease and desist from violating Article 25(D)(2) within 30 days. If Alaska and District 142 cannot fashion an appropriate remedy for all of the past injuries caused by Alaska, the IAM can take the issue of remedy back to the Board.

We will keep you updated on our efforts to secure full relief for all affected Alaska employees.

In Solidarity,

*Jackie Fay*

Jackie Fay  
GENERAL CHAIR

DS/slb

cc: S. Pantoja  
J. Tiberi  
T. Klima  
District 142 Executive Board

opeiu #277

### **POST ON ALL IAM BULLETIN BOARDS**