

General Questions and Answers

Q) What does the contract say regarding non-Spirit labor that is offsite?

A) The provisions of the contract in Article 8 concerning subcontracted work remains in the new agreement. This includes work that was previously performed on site.

The protections associated with work being performed on site by others was expanded beyond just Contractors.

Q) How is the vote count decided?

A) The current offer is being decided by simple majority (majority plus one) of the valid votes cast. The current contract vote does not include a strike authorization vote.

Q) Does SPEEA have a strike fund?

A) No, and we didn't have one for the 40-day strike in WA, CA, OR and FL in 2000.

Q) What percentage is required for a strike?

A) A strike authorization requires a simple majority of the valid votes cast. However, it is up to the negotiating team to actually call for a strike once authorized.

Q) Is there a change to the STIP?

A) No. The STIP for the duration of the offer matches where the last contract ended, with 8% target and 16% maximum.

Medical Plan Questions and Answers

Q) New plans have significant HSA contributions from Spirit. In the 2019-2020 plan year, the company HSA funds (HSA contribution and transition bonus) available for "employee only" coverage on the Blue plan is greater than the maximum allowed IRS annual HSA contribution. In cases such as these, where is the extra money going?

A) The HSA contributions will be directly deposited into the HSA owned by the employee. The transition bonus can be taken in cash or deposited into deposited into the HSA owned by the employee. Since the HSA is owned by the individual, it is up to the employee to make sure they do not contribute too much into their HSA. If they do, the excess needs to be taken out of their HSA via a "withdrawal of excess contributions". If any excess is not taken out, then the employee will pay tax penalties for contributing too much into their HSA.

Q) Is the coverage for the Rainbow plans the exact same as the Enhanced Plan?

A) The rainbow plans have some limits on physical therapy, speech therapy (25 visits) and chiropractic (30 visits) that do not exist in the Enhanced plan and core plan. You can find more details on coverage specifics on the Spirit Intranet.

Additionally, the rainbow plans also have a different formulary called the "premium formulary" compared to the Enhanced plan and Core plan "standard formulary". The premium formulary can be found online so you can see if your drugs are covered and/or if they require prior authorization.

<https://professionals.optumrx.com/content/dam/optum3/professional-optumrx/resources/forms/Premium%20Formulary.pdf>

Q) I understand that you cannot establish an HSA if you are covered by a non-High deductible plan. What about the critical illness policy that we have in our contract? Does that eliminate our ability to establish and fund an HSA?

A) Coverage for a specific disease or illness if it pays a specific dollar amount when the policy is triggered; or plans that pay a fixed amount per day or other period of hospitalization are permitted coverage. See page 31 for a listing of permitted coverages and non-permitted coverages. <https://healthequity.com/doclib/hsa/guidebook.pdf>

it is important to understand there are some unique non-permitted coverages (e.g. if your spouse works and enrolls in a Flexible Spending Account (FSA))

Q) Can I roll my PCA balance into my HSA?

A) No, not at this time.

Q) If we enroll in the Blue plan, when do we receive the HSA funds and the transition bonuses?

A) This contract offer states that the HSA contributions will be made the first payday after June 30th each year. Based on what you choose, the transition bonuses will be either paid to you or deposited into your HSA on the first full pay period 90 days after the start of the Plan year.

Q) What happens to my HSA balance at the end of the contract? Is it mine to keep?

A) HSAs are individually owned and are always your money. You are free to use the HSA for whatever purpose you wish. If you use the HSA funds for non-medical, you will pay income tax (state and federal) and a 20% penalty.

Q) Will the PCA be offered as long as I enroll in the Enhanced plan?

A) Yes. Until 2021 when the Core and Enhanced plans are no longer an option, the Core and the Enhanced as you know them today are not changing other than the paycheck contributions.

Q) Can I contribute to my HSA through payroll deduction?

A) Yes. Attachment A states that *"The company shall permit employees the ability to make HSA contributions via payroll deduction"*. It is advantageous to make HSA contributions via payroll deduction because you do not pay FICA taxes (7.65%). Contributions made with after-tax cash (not through payroll deduction) are made after you have already paid FICA taxes.

Q) Who selects the doctors for the Direct Primary Care (DPC) Option?

A) Spirit will contract Solidaritus Health, which will contract with the doctors. Other Spirit employees will not have access to your medical records. You can read more about Solidaritus Health online at <https://solidaritus.net/>

Q) Is the Out of pocket Maximum the same for network and non-network claims?

A) No. The non-network deductible and out-of-pocket maximums are much higher and the non-network coinsurance (the percent Spirit pays) is lower. In addition to having worse deductibles, out of pocket maximums and coinsurance, non-network providers are able to bill you for the amount between charges and the allowed amount known as balance billing. It is always a good idea to make sure that your providers are in-network.

Q) If you retire at age 62 as a "Day 1" employee will Spirit make your HSA contributions?

A) No. HSA contributions are only made for active employees. As a retiree, however, you may make your own HSA contributions and deduct the contributions from your taxes, even if you do not itemize.

Q) Do the deductibles on the Green and Blue plans work like the deductibles on the Enhanced plan?

A) No. The deductibles on the Enhanced plan are per person. The deductibles on the Green and Blue plans are aggregate deductibles. As an example, if you are covering yourself, your spouse and children on the Blue plan, you all share the same \$5,000 annual deductible. The deductible can be satisfied by claims from one or more than one person. On the Green and Blue plans, the same is true of the out-of-pocket maximum.

Q) Can the medical plan change after we ratify the contract?

A) Any material change requires bargaining prior to the change.

Q) Is Parental Leave different than Short Term Disability (STD) coverage?

A) Yes. Parental leave includes maternity and paternity. The parental leave is in addition to any STD coverage that a birth mother may receive. Parental leave may be taken within 12 months of the birth or adoption.

Q) Can I use the HSA funds to pay the medical plan premiums?

A) No. The medical plan premium contributions you pay from your paycheck are pre-tax, saving approx. 5% Kansas tax, 7.65% FICA and approx. 22% federal taxes. Under the current rules, when you are no longer employed, you can use your HSA for COBRA medical premiums, medical premiums if you are collecting unemployment insurance and Medicare part B premiums.

IRS Publication 969 has additional information <https://www.irs.gov/pub/irs-pdf/p969.pdf>

Q) Are flu shots considered preventative?

A) Yes, if performed by an In-network provider. In addition to flu shots, any in-network service that has received an “A” or “B” recommendation by the United States Preventative Services Task Force (USPSTF) is covered on all the plans without any cost to you. You can find a listing of the services here:

<https://www.uspreventiveservicestaskforce.org/Page/Name/uspstf-a-and-b-recommendations/>

Q) Why does the company want to eliminate the Core and the Enhanced plans?

A) Spirit wants to have medical plans and premium contributions that are more consistent with those found in the “market”. Spirit provided market data to the negotiation team indicating that the typical “*manufacturing*”, “*Transportation and aerospace*” and “*National*” deductibles are \$1,500 for an individual and \$3,000 for a family. The data provided to the team also indicated that the average cost share was 20%.

SPEEA also confirmed this independently from the 2017 Kaiser Family Foundation (KFF) annual survey and the International Foundation of Employee Benefit Plans (IFEBC). The IFEBC survey may not be shared, but the KFF study is available online.

<https://www.kff.org/health-costs/report/2017-employer-health-benefits-survey/>

Along with most all US publicly traded companies, Spirit desires to shift costs onto employees, as much as it can, whenever it can do so without causing issues.

Q) Which is a good plan for a healthy family?

A) Most employees with healthy families will find that when they run their numbers, the Blue plan makes the most sense. While the premium contributions are the same at 20%, the monthly total cost (against which the 20% is multiplied) is less because the deductibles are higher than the green plan. Additionally, because the deductibles are higher, and the employee takes more risk, the company’s HSA contributions are higher. Coincidentally, because the in-network maximum out of pocket is limited to \$6,850, it is only \$850 more than the Green plan, making the Blue plan better than the Green for families struggling with significant healthcare costs.