

Employees question pay, medical care and much more

Numerous questions have been raised with regard to how pay and pay-related matters for the various employee groups will be handled when operational integration of Piedmont and USAir occurs. These questions include such matters as:

Q. How and when will pay scales for the various classifications be merged?

A. If an employee is at a rate lower than USAir's rate, will the employee be brought up to USAir scales immediately?

Q. Does USAir have "B" scales and, if so, how will they interact with Piedmont's "A" and "B" scales?

A. How will pay progression dates be changed? Will the merger offset annual pay increases?

A. At this time, it is too early to answer specific questions on pay or pay-related matters because final decisions and implementation plans have not been made. As we get further down the road toward operational integration and the many details involved have been worked out for the various employee groups, employees will be informed of changes as they relate to them.

Q. Will there be any funding for schooling after the merger? If there will be, what will the qualifications be and how much funding will be available?

A. USAir has a tuition aid policy similar to Piedmont's policy. Its purpose is to provide financial assistance to employees who undertake courses of study which will enable them to perform more effectively in their present job. It is available to full-time, active employees who have at least one year of continuous service with the Company.

Q. If a married couple both work for Piedmont and one is transferred to another city due to the merger, will anything be done to get the other person transferred to the same city?

A. We are aware there are a number of married couples presently working at Piedmont who may be required to relocate when the airlines are merged. This situation will be monitored at the time of operational integration and to the extent possible every reasonable effort will be made to minimize any hardships that might be brought about.

The above answers were provided by Dwain Andrews, staff vice president-labor and employee relations.

Q. What will happen to Piedmont's Supplemental Retirement Plan?

A. No final decision has been made as to the disposition of PI's Supplemental Retirement Plan. USAir currently has no similar plan. Some

very preliminary discussions have been held; however, it will probably be several months before a final decision will be forthcoming. In the meantime, I do not think that plan participants should be concerned. The plan represents a good, safe investment and is paying a good rate of interest. I personally have an account in the plan and certainly intend to leave it intact for the time being.

Q. What is USAir's medical coverage and who is their insurance carrier? What about our HMOs?

A. USAir has selected Blue Cross of Western Pennsylvania and Pennsylvania Blue Shield to administer the medical and dental benefits for the combined companies. Coverage for USAir employees will be effective April 1, 1988, and April 9, 1988, for PSA employees. The effective date for Piedmont's changeover has not been decided. USAir's current insurance carrier is CIGNA and their medical coverage is similar to Piedmont's. While no final decisions have been made, it is likely that when the benefits are merged, PI employees will be included in the AL plan. Currently, the AL deductibles are \$100/person/year with a family maximum of \$200/year.

The decision as to the disposition of the various HMOs in which PI employees are currently enrolled is an entirely separate decision. We will keep you advised as we obtain more information.

Q. Employee has a vested pension benefit with both PSA and PI. Wants to know how the combined benefits will be handled? What about the time under the USAir plan?

A. No final decisions have been made as to how the pension plans will be integrated.

Q. Does USAir have dental coverage?

A. USAir currently has dental coverage for their employees. It is likely that when the benefits are merged, that PI employees will be included in the AL plan. Overall, the benefits are similar. AL employees currently make no contributions while PI employees contribute about 25% of the total costs for dental coverage.

Q. Does USAir have a Vision Care Plan?

A. Neither Piedmont nor USAir currently have a Vision Care Plan.

Q. What type of retirement plan does USAir have?

A. The regular retirement plans of Piedmont and USAir are very similar for each appropriate group of employees.

PI's '800' line spurs employee questions

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And then, the calls came. More than 1,300 calls were received in the first three weeks the 800 number was published for Piedmont employees!

Under the system, the calls are transcribed. The callers could give their name and company (or home) addresses, if they desired a personal response. Or, they could enjoy complete anonymity.

The questions and comments were then delivered to the Public Affairs Department where, with much guidance from Dwain Andrews, staff vice president-labor and employee relations, the messages were sorted and distributed to the appropriate officers of the company for responses.

By the end of the third week of the information line system, the figures were growing impressively. Of the 1,300 calls (most of which raised duplicate questions), 200 personal replies had been sent to individuals; two special issues of the "DECLASSIFIED" had been distributed to employees across the system; and two more issues of questions more narrowly related to employees of the Reservations or Operations departments were distributed to employees in those fields.

Most questions were personally answered by senior officers and department heads.

The 800 number (actually 1-800-637-4374) will be available indefinitely.

"Right now we have more questions than we have answers, but we believe it's reassuring to the employees that they can pass along the items of greatest interest to them, and know

that management is alert to these issues," Workman said.

"We can envision—further down the line as more and more issues are resolved—a similar system that will have recorded information available to callers explaining the latest progress in the merger," he said.

Shanks, with a comment typical of most department heads dealing with the sudden onslaught of inquiries, said:

"This has been a real learning process for us. We've learned much about the priorities our own people place on merger issues, and we've learned even more about gaps in the communications system. There have been messages we thought had gone out that, well, didn't seem to get into the hands of every employee. Hopefully this will go a long way toward closing that gap."

Oh, and if you are interested, the answers to those opening questions are:

No one knows, just yet, but they will not be our current Piedmont colors.

Six and a half years.

Yes, USAir does have dental insurance. Piedmont's insurance will cover all work done up until the operational merger. USAir's insurance will take over after the operational merger.

See how easy it is?

Q. Why haven't I received benefit booklets? Aetna ID card?

A. Updated benefit handbooks are currently being distributed. Aetna ID cards are normally sent out within 30 to 45 days of coverage. Since we have recently added over 5,000 employees to the medical plan in a short period of time, we have been a little behind!

Q. Does USAir have a long-term disability plan?

A. Some employees have LTD coverage, the other employees can purchase a plan from their Credit Union.

Q. Does USAir provide medical coverage for its early retirees?

A. USAir employees who retire early are eligible for free medical benefits if they have a minimum of 20 years of service and go directly on retirement from active work. If they have less than 20 years, they are charged a modest premium.

Q. When will the benefits change over?

A. By terms of the merger agreement, Piedmont benefits are to stay in place until early November, 1988. The changeover most likely will be done in connection with the operational merger which is tentatively scheduled for early 1989.

Q. I am currently disabled and receiving long-term disability benefits through Piedmont's LTD plan. How will the merger affect my LTD benefit?

A. The merger will have no effect on your LTD benefit. This benefit is provided on an insured basis. Sufficient reserves have been established for those who are receiving benefits to provide the benefit even if the policy is cancelled. Your LTD benefit will continue subject to all other policy provisions.

Q. What is USAir's life insurance coverage? What insurance company?

A. USAir's life insurance is with CIGNA. The current coverage is:

Basic Plan—An amount equal to 200% of annual basic earnings up to a maximum of \$200,000. Company pays for the first \$30,000 or \$35,000, depending on employee group.

Supplemental Coverage—An amount equal to 200% of annual basic earnings up to maximum of \$200,000. Employee pays entire cost.

In addition, USAir provides company-paid dependent coverage of:

Spouse	\$2,500
Unmarried children over 14 days and under 19 years of age.	\$ 500
Unmarried children 19 years to 21 years who are full-time students.	\$ 500

As final benefit decisions are made, employees will be promptly informed.

The above answers were provided by Joe Wilson, assistant vice president-benefit administration.

Q. Since USAir does not have employee stores will all of our Piedmont stores be closed or will we stock them with USAir products?

A. Our Piedmont stores will continue operating. As the operational merger nears they will begin offering USAir items.

Got a question? Piedmont has set up a line to receive your questions or suggestions. Just call

1-800-637-4374.

Your question, or suggestion, will be forwarded to the appropriate officer at Piedmont for a response. The line is toll free from anywhere on Piedmont's domestic system. We're waiting to hear from you.

