

DATE: MAY 8, 2020

**TO: LOCAL UNIONS WITH YRCW MEMBERS IN
CENTRAL STATES HEALTH FUND**

RE: YRCW DELINQUENCY NOTICE

YRCW (YRC Freight and USF Holland) is delinquent in paying health contributions owed on members who worked during March. YRCW has also advised the Central States Health Fund that they will be unable to pay contributions for work performed during April and May. We currently project a nearly \$75 million delinquency for the three-month period to both Funds. This debt is in addition to the more than \$48 million owed to the Pension Fund under its last debt restructuring from nearly a decade ago.

We understand the challenging circumstances YRCW is facing and the Fund has had extensive discussions with YRCW leadership and its lenders in an attempt to reach a fair resolution. However, YRCW has not made an acceptable repayment proposal to the Fund.

The attached suspension of benefits notice is being mailed today to active YRCW members in the Health Fund.

NOTE: Under the Plan document, a suspension of benefits would mean that any health claims incurred by the member or their family after May 9, 2020 would not be paid by the Fund unless and until YRCW resolves the delinquency (or a member remits self-contributions for coverage).

However, as announced in Special Bulletin 2020-4, the Board of Trustees recently authorized TeamCare Layoff Coverage for laid off members for a maximum of 8 weeks. The Trustees have further authorized that due to unique circumstances surrounding YRCW's delinquency, to also allow TeamCare Layoff Coverage for actively working members during YRCW's suspension of benefits for a maximum of 8 weeks. Therefore, eligible claims incurred after May 10 may be paid even though YRCW is on suspension of benefits status. Please see the attached letter for further explanation.

We encourage members to visit **MyTeamCare.org** and use our secure **Message Center** if there are any further questions. Local Unions can contact their Field Service Representative with questions.

Sincerely,

BOARD OF TRUSTEES, CENTRAL STATES, SOUTHEAST
AND SOUTHWEST AREAS HEALTH AND WELFARE FUND, BY:



THOMAS C. NYHAN
EXECUTIVE DIRECTOR