



2010 ISSUE 1

# THE RETIREE GUARDIAN

NEWSLETTER OF *AUSWR* - REPRESENTING RETIREES OF *U S WEST*, *QWEST* AND THEIR PREDECESSOR COMPANIES  
www.uswestretiree.org      www.qwestretiree.org

## QWEST KILLS PENSIONER DEATH BENEFIT PAYMENT FOR ESTIMATED 27,000 RETIREES

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Following a more than six-year court battle by AUSWR to prevent the loss, Qwest announced the elimination of the Pensioner Death Benefit effective March 1, 2010.

Qwest's December 28, 2009 two-page letter focused primarily on telling shareholders about cost-cutting initiatives. Near the last paragraph, retirees are told about the elimination of the Pensioner Death Benefit.

A Qwest spokesman acknowledged to a *Denver Post* reporter that elimination of the Pensioner Death

Benefit strengthens Qwest's financial standing on Wall Street by reducing the company's liabilities by approximately \$220 million - the amount Qwest estimates it would have paid to the beneficiaries of eligible retirees.

"It's been the pattern of Qwest - since (former Chairman and CEO) Dick Notebaert was with Qwest - that they are taking away from retirees' promised benefits," Nelson Phelps, former AUSWR Executive Director, told the *Denver Post*.

Again it is believed by many retirees that Qwest

**PLEASE NOTE.**  
Your Group Life Insurance in the amount of \$10,000 **is not affected** by the elimination of the Pensioner Death Benefit on March 1. Legal action filed by AUSWR to restore the Group Life Insurance remains pending in the Denver Federal Court.

thrives on the "backs of its retirees."

(See Attorney Curtis Kennedy's related article on page 4)

**"To preserve and protect the pension and benefits that we earned."      AUSWR Mission**

## The Chair's Corner

Mary Ann Neuman, Chair

As I sit here writing this article I'm watching news coverage about the horrible storms out East, and I can look out the window and see growing snow banks in my own back yard.



Yup, I'm getting a little tired of it and look forward to spring, green grass and – you guessed it – the NWB-USW-Qwest Annual Meeting on May 6. Can you believe it's going to be our twelfth meeting?

This year we'll be at Mystic Lake Casino & Hotel ([mysticlake.com](http://mysticlake.com)) in Prior Lake, MN (a SW suburb of Mpls/St. Paul). We had a great experience holding the meeting there a few years ago. No luck on the slots, but still a great meeting. It's super handy for members living in the Twin City metro area, and it's out of the core city for those coming from out of town who don't want to drive in "big city" traffic. We hope you plan on coming. I'd love to see the best turnout ever.

This year our focus will be on what lies ahead for us as an association. This last year we've experienced some significant changes, which really prompt questions about the future. We'll hear Mimi Hull, AUSWR's president and Curtis Kennedy, AUSWR Legal Counsel tell us what they see for the future.

Let's discuss future options as a group, looking at where we see ourselves in the coming years. What do you want of your Association? Come and tell us. Fill out the reservation form in *The Guardian* today. Make it a little mini-vacation and perhaps take in a Twins game in our brand new stadium (they're playing Detroit and Baltimore during that home stand). If not baseball, how about a shopping trip to the Mall of America? There's a lot to do in the Twin Cities. Hope to see you in the spring!

I'd also like to remind you we are holding elections to the Board of Directors. Your ballot is on page 12 of this *Guardian*. Four candidates were identified by our Nominations Committee to

serve and one candidate has been nominated from the membership. Please take a moment to vote for four candidates to serve on the Board. Board members serve as your representatives, and guide the actions and direction of the Association.

I can assure you there's no Washington DC-like leadership deadlock in this Association. We all work together. We're all volunteers and work toward the advancement of the Association's mission. Contact your local board member (or me) at any time if you have any concerns about Association issues.

As long as you're going to mail in your Annual Meeting reservation (*form on page 13*) and your board of directors ballot (*form on page 12*), keep your checkbook out and send in your dues payment for next year. (*Membership renewal form is on the Guardian back page.*) Think of it as saving money. After all, a stamp is 44¢. I bet we all remember what 44¢ used to buy. A couple gallons of gas, a pack of smokes, even a burger at the drive-in. Those were the days!

Sending a check with your annual meeting reservation, election ballot and membership renewal will free you from re-upping in July, when you'd rather be fishin' or taking a nap in the shade. (See I told you I'd rather think of something sunny and warm than looking at snow banks).

In the last newsletter I mentioned that effective with this issue *The Retiree Guardian* would be available electronically. 57 members decided to give it a try. It's not too late. You can still sign up to get future issues via e-mail.

I am encouraging this as a real cost savings for the organization – fewer copies to print and mail but also as a benefit to you – less "stuff in the mailbox." And if you save *The Guardian* to a file on your computer, you'll always have it for reference. Here's what to do if you'd like to give it a try.

1. Send an e-mail to our office at:  
[Qwestretirees@bydesignsolutions.com](mailto:Qwestretirees@bydesignsolutions.com)
2. Tell us, "I want the *Guardian* by e-mail."
3. Add [Qwestretirees@bydesignsolutions.com](mailto:Qwestretirees@bydesignsolutions.com) to your address book.

Please give it a try. I think you'll like it, and we're counting on the savings to help the budget

(continued on page 5)

# The President's Letter

## AUSWR 2010 Agenda Plans

Many have asked, "What is the future of our AUSWR organization?" Leadership changes and major shifts in direction confront us as we start 2010.

I would like to tell you what I see as the state of our retiree organization and share our commitments to our role in protecting and preserving our pensions and benefits.

First, the retirement of Nelson Phelps is a mix of emotions for all of us. While we wish him well in his days of enjoyment free of our retiree claims on his time every day, we know that his leadership will be missed.

Sadly, we also share the loss of our AUSWR Ombudsman Howard Rickman (obit on page 14), who for so many years became the ear of our complaints and questions about benefits and patiently answered everyone who came to him for help. Howard led our Retiree Advocate program where each retiree - member or not - can go for help when the "red tape" is too confusing.

Challenges face us immediately with the loss of the Pensioner Death Benefit, which Qwest has announced will be eliminated March 1. Qwest has estimated a savings of \$220 million, so again they are strengthening their finances by sacrificing retirees' security. Of course, we believe retirees earned this benefit. We are looking at all of our legal options and will decide soon on what action — if any — we can take.

The financial viability of Qwest is a continuing concern as it continues to lose its landlines, incur losses of product and services revenues, and downsize employees. Cost-cutting measures



**Mimi Hull, AUSWR President**

include halting contributions to the pension fund for current management. We watch the Qwest financials closely to help us assess the security of our future pensions and benefits.

Oversight of the Pension Plan funds has been an ongoing effort for us. As Qwest works its way through its financial woes, we are keeping a close eye on the pension plan management. In the last newsletter, we told you about the scrutiny our litigation attorney Curtis Kennedy has performed in his review of the 2009 Qwest filing with the Securities

and Exchange Commission (SEC). We sent a request for additional information about the annual filings to the pension plan administrators and continue our communications with them to gain answers to all of our questions. For example, a major question involves how Qwest appears to have underperformed in its role to protect the pension plan funds resulting in the loss of more than \$90 million invested with Westridge, a now bankrupt company. We will continue our oversight role to monitor the activities in the Qwest Pension Plan.

Support of the National Retiree Legislative Network, the NRLN, is a major affiliation for us, helping to send a retiree voice to the members of Congress and develop federal legislation to protect pensions and benefits.

To sum up, the AUSWR 2010 focus is: 1) litigation when necessary, 2) oversight and monitoring of the pension plan funds, 3) continued Retiree Advocate program, and 4) support for retiree federal legislation through our affiliation with the NRLN.

### THINGS TO DO IN THE TWIN CITIES BEFORE & AFTER THE MAY 6, 2010 ANNUAL MEETING



#### **MN Twins new stadium**

May 3,4 Detroit 7:10 p.m.  
 May 5 Detroit, 12:10 p.m.  
 May 6,7 Baltimore 7:10 p.m.  
 May 8 Baltimore 12:20 p.m.  
 May 9 Baltimore 1:10 p.m.

#### **Orchestra Hall**

May 5, 6 *The Four Seasons* 10:00 a.m.  
 May 7 *Bernadette Peters* 8:00 p.m.

#### **Guthrie Theatre**

May 5, 6, 7 *Madame Butterfly* 7:30 p.m.  
 May 7 Backstage Tour 10:00 a.m.

# RESPONSE TO RETIREE PENSIONER DEATH BENEFIT QUESTIONS

This is in response to the myriad of questions. I will try to be brief and to the point.

All retirees will lose the Pensioner Death Benefit, which was traditionally paid from the pension plan. We held the company off for just over six years, as the company originally announced plans to eliminate the benefit in September 2003.

The AUSWR retiree organization is undecided whether or not to commence another lawsuit. If we did, it might be limited to protecting the rights of Pre-1991 retirees, because the same arguments that applied to protect their rights to lifetime health care benefits [known as the Phelps case] also apply to protect their rights to the Pensioner Death Benefits.

All the factual and legal reasoning involved in the Pensioner Death Benefit case has been the subject of countless reports, updates, letters, and *Retiree Guardian* stories. Our website has posted these reports over the course of the last three years.

For instance, we made every conceivable argument in the Kerber (Group Life Insurance) case. Despite doing it all, nothing mattered to the federal judges who seem hell bent on making rulings in favor of the corporations, as anyone can discern if he or she wants to read the Final Pretrial Order posted at the retiree website.

See: [www.uswestretiree.org/FinalPretrial OrderWithAttachments1&2.pdf](http://www.uswestretiree.org/FinalPretrialOrderWithAttachments1&2.pdf)

That posting at the retiree website is the best point of reference for you to understand how we tried our best.

Other Important Benefits Issues:

Another event that we are following and do not have an answer at this time is about the re-



**Curtis L. Kennedy,  
Litigation Attorney**

ported payment Qwest made to Watson Wyatt for services. But, I can tell you that amount (about \$5 million) was both typical for Qwest each year and it is in line with the amount other former Bell System Companies with a pension plan covering tens of thousands of persons have paid each year to the companies providing services for their defined pension plans.

We also are looking into the debacle involving the over \$91 million in Qwest Pension Plans funds that were wasted in Westbridge investments. [See the last edition of the *Retiree Guardian* for the letter to Qwest Pension Plan Administrators about Westridge investments].

I hope that either you or someone in your family will continue to support the retiree organization, the Association of U S WEST/Qwest Retirees. As a supporting member, a family member will receive updated information either via e-mail or in future issues of the *Retiree Guardian* or both methods.

And, finally, more than ten years ago the U.S. Department of Labor and IRS gave permission to then U S WEST to have the pension plan and health care plan invested in U S WEST common stock. Eventually, all of the investment was sold, a profit was made, and all credited to the pension plan and health care plan. But, that will never happen again.

I hope that either you or someone in your family will continue to support the retiree organization, the Association of U S WEST/Qwest Retirees. As a supporting member, a family member will receive updated information either via e-mail or in future issues of the *Retiree Guardian* or both methods. Membership information can be found at: [www.uswestretiree.org/membership2.htm](http://www.uswestretiree.org/membership2.htm)

Truly, the retiree organization website is the best source for anyone to find updated information, as it is impossible for me to personally write to each of the thousands of persons wanting to know the final outcome of this litigation.

# NELSON PHELPS “RETIRES” FROM AUSWR

by Kitty Kennedy, Regional Editor and Arizona President

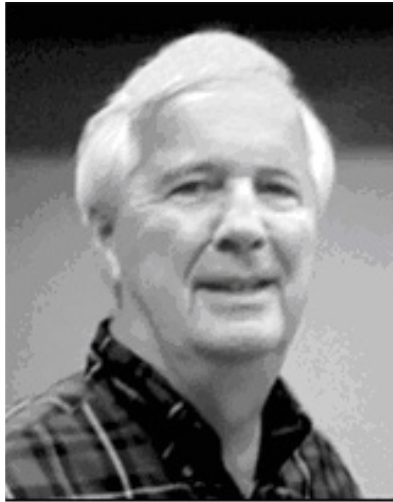
“A legend in his time,” could truly be said about Nelson Phelps if you are a retiree of Qwest, U S WEST or any predecessor company. If you work across the nation with other retiree organizations, his name will come up – and people will ask about him because of his role in battling for all retirees – not just telephone retirees – for the last 20 years.

Especially if you retired before 1991, you owe so much to Nels’ leadership and foresight. The lawsuit that guarantees all pre-1991 retirees their existing health care benefits carries his name: “THE Phelps Case,” we all call it.

Nels retires from AUSWR as Executive Director after nearly 20 years of guiding our organization’s efforts in the 14-state Qwest territory. He will pursue many of his personal interests with his wife, Denise.

As you look around today and try to figure out what is happening especially to retirees, one of the first questions is, “What has happened to leadership?”

Where are those who had visions of the future, and led companies and organizations to the benefit of employees, shareholders and customers? Self-interest seems to be a first priority, even at the expense of all moral, ethical and economic obligations among those who call themselves the leaders of companies such as Qwest. Fighting these types of executives who demonstrate their



**Nelson Phelps, retiring  
AUSWR Executive Director**

current belief systems of self-interest is no easy task.

Just look at the recent Qwest leaders who have walked away with millions or are serving time in jail. Who has led the watchdog efforts to protect retirees from them? Nels led us with many successes and some losses.

Nels became the skilled leader for our organization from its very beginning. He saw the need to protect retirees and enlisted the help of Curtis L. Kennedy who remains our AUSWR Litigation Attorney.

After legal actions and negotiations with Qwest and its former companies, Nels retires from us knowing that he pursued every avenue open to retirees in our efforts to protect and ensure “those pensions and benefits that we earned in our working years.”

His visionary leadership extended beyond our 14-state area when he saw that the courts would not be the guardians of retiree benefits.

Nels was a founding member of the National Retiree Legislative Network, which awarded him in January the title of Honorary Director. He saw that future protections for retirees lie in federal legislation and not in the hands of federal judges.

We extend our tremendous gratitude to Nels and wish him many years of happiness to match all the years he gave to us.

*Kitty Kennedy*

*(THE CHAIR’S CORNER continued from page 2)*

next year and keep dues down.

I’d like to add a personal note about the retirement of Nelson Phelps. Though I am not a pre-1991 retiree and don’t benefit from his lawsuit that resulted in permanent health coverage for retirees (the amount of money he saved so many retirees in health costs is astounding!), I marvel

at his commitment to our organization. I’ve been honored to work with him as our Association’s representative on the AUSWR Board and for several years on the AUSWR Proxy Committee. For that I am grateful. He has taught me much and he will be missed. I am thankful that he will continue to be my friend.

*Mary Ann Neuman*

# 2010 CHALLENGE: PROTECT SOCIAL SECURITY AND MEDICARE

by *Bill Kadereit, President National Retiree Legislative Network*

After the dust settles on the national health care debate, we will be challenged to lobby harder than ever to protect Social Security and Medicare benefits.

Congress never intended to address Medicare benefits in a meaningful way in health care reform legislation. But the President and some members of Congress have announced that 2010 will be the year when they form task forces and committees to address Medicare and Social Security.

The NRLN retiree association leaders from across the country met in Washington D.C. in January to set the NRLN 2010 Legislative Agenda for lobbying to protect your retiree income.

They approved our budget and lobbying plans and met with guest speakers from Capitol Hill and federal agencies to discuss what can and must be done to maintain and advance retiree benefits. Topics ranged from pension security to bankruptcy reform and Medicare. Executives from the Pension Benefit Guarantee Corporation (PBGC), the Department of Labor, and Congressional committees spoke and responded to questions.

Perhaps the best part of the NRLN Annual Leadership Conference was when conferees walked to appointments on the Hill to tell their members of Congress about our Legislative Agenda and what they want Congress to do about it.

NRLN members made appointments and met with forty-six different members of Congress and



**Bill Kadereit**

their staffs on January 13.

Leaders from retiree associations met with House and Senate Judiciary staffs and legal counsel and hope to get a hearing scheduled to air the need for corporate bankruptcy law reform.

Members met with Congressional leaders on PBGC rules reform and grilled our PBGC speakers. They met on pension security and prescription drug legislation. We all expressed concern over the

future of Medicare, Social Security and other issues specific to our retiree associations.

Be sure to express appreciation to AUSWR retiree association presidents, Judy Stenberg and Mary Ann Neuman, who attended the January conference with Curtis Kennedy and Nelson Phelps. Please do your part by contributing time and money to AUSWR and the NRLN if you can.

We are very serious on your behalf and, unlike other larger retiree organizations that claim to be friends of the retiree, we actually work hard to support just you. AUSWR leaders don't have to be doing this; please support them.

Most of all, sign up your friends and neighbors, and work hard to help us grow a strong grassroots network in your hometown.

A former speaker of the U S House said, "all politics is local." That is so true. Meet with your hometown members of Congress and ask them what they are doing to support your retiree agenda.

See more on the NRLN 2010 Legislative Agenda on page seven.

*The NRLN promotes federal legislation for retirees by lobbying members of Congress and their committees, by testifying as retiree advocates in Congressional committees, and by producing White Papers on retiree-related issues as the basis for the introduction of bills in both the U S Senate and House.*

*No monies are paid to politicians, parties or lobbying organizations.*



# AUSWR & NRLN LEGISLATIVE AGENDA: 2010 TOP INITIATIVES



**Pension Asset Protection:** Legislation that stops corporations from taking pension assets from defined pension plan trusts to pay for lump sum severance and early retirement incentives. Pension funds should not be used to pay executive non-qualified pensions and other deferred compensation; pension plan assets should not be transferred to or be taken over by third party financial or other institutions.

**PBGC Reform:** The Pension Benefits Guaranty Corporation must be regulated to ensure equitable calculations of earned benefit payments.

**Bankruptcy Reform:** Bankruptcy reform is needed to place retirees' pensions and benefits on a list of obligations that companies can't shed. Retirees often lose pension, health care, and other benefits in bankruptcy and, unlike secured creditors, rarely have the ability to recover losses.

**"Maintenance of Cost Payment":** Protections and Enhancement of Retiree Health Care Benefits: A Maintenance of Cost Payment (MCP) is proposed to establish a fixed monthly payment for retirees equivalent to the value an employer provided prior to the reduction or cancellation of retirement health care, prescription drugs, life insurance, long-term care or other benefits. Companies would be entitled to tax credits as an offset to MCP payments.

**Medicare Buy-in for Ages 55 to 64:** Those 55 to 64 should be allowed to buy Medicare coverage at a cost that does not burden the Medicare system. Access to be limited to individuals without access to an employer-sponsored or other group health plan that is actuarially equivalent to or superior to Medicare.

**Medicare Catastrophic Coverage:** Congress

should extend protection against catastrophic medical costs to the Medicare population by setting a reasonable maximum limit on out-of-pocket costs.

**Retiree Protection in Mergers and Acquisitions:** Law is advocated that clarifies what a parent foreign owner's pension plan obligations are to abide by ERISA should its U.S. subsidiary be spun off or dissolved. Clarification must include situations where foreign corporations that own U.S. subsidiaries are also acquired by a third party, foreign-owned corporation.

**Prescription Drug Cost Reductions:** The NRLN advocates the reduction of prescription drug costs for Americans through passage of legislation that: (1) enables re-importation and importation of safe prescription drugs approved by the FDA; (2) enables Medicare to develop formularies and take competitive bids for prescription drugs; (3) staffs and funds the FDA to reduce the generic drug approval backlog; and (4) prevents drug companies from colluding to control pricing or subvert free market practices.

**Protect Medicare:** Congress must guard against reductions in Medicare expenditures that negatively impact the care that retirees receive from doctors, hospitals and other health care services.

**Protect Social Security:** The Congress must pass legislation to make Social Security financially sound without reducing current and future retiree benefits. NRLN advocates legislation that raises the Alternative Minimum Tax threshold level and also the annual inflation indexing of the threshold.

To read more on the NRLN Legislative Agenda, go to: [www.NRLN.org](http://www.NRLN.org).

## THINGS TO DO IN THE TWIN CITIES BEFORE & AFTER THE MAY 6, 2010 ANNUAL MEETING

**Golf** - You'll enjoy very nice 18-hole course just about a five-iron away from the door of the Mystic Lake Hotel. It's not a pitch-and-putt course, but one that offers you challenges that you can conquer.

**Shopping** - It's about a 20-minute drive to the Mall of America, where you'll find everything you need and want. Delta (formerly Northwest) Airlines runs regular flights from Japan filled with tourists who absolutely *must* shop the Mall of America. Fortunately, you'll enjoy the shopping without enduring an 18-hour flight.

**Games of Chance** - The Mystic Lake Hotel and Casino offers many opportunities.

**Horse Racing** - Canterbury Downs is less than five minutes away. Unfortunately, their live racing won't start till mid-May. However, they do offer simulcast racing and will be glad to see you pick winners from afar.

# AUSWR GOES TO WASHINGTON

January weather in Washington DC is unfriendly and often cruel -- some see it as a fitting match to the current political climate.

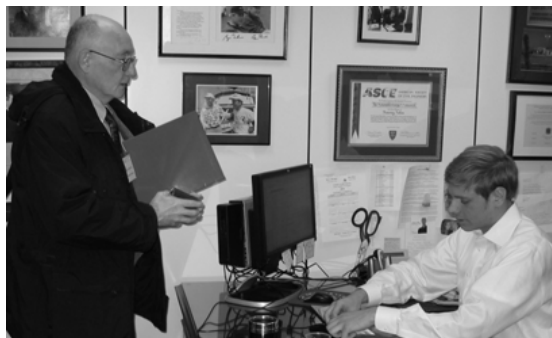


BUT – January is a good time to show up in Congressional offices and tell our members of Congress about retiree issues – and that is exactly what AUSWR leaders did again this year.

Bill Kadereit, NRLN president, led the Annual January 11-13 NRLN-sponsored three-day leadership meeting of member organizations. About 50 attendees heard from Department of Labor and Pension Benefit Guaranty Corporation staffs discuss pensions, benefits and their down perspectives for the future of retirees.

In addition, we heard from Senator Chuck Grassley (IA-R) and Senator Max Baucus' (MT-D) senior staff representatives on the Senate Finance Committee and from Diane Oakley, from Rep Earl Pomeroy's staff. She detailed some of the key points in Rep. Pomeroy's bill, H.R. 3936, Preserve Benefits and Jobs Act.

Scheduled appointments with members of Congress and their staffs were tied to meetings about our retiree agenda. Targeted meetings set with Congressional members who sit on committees and sub-committees deciding the priorities for retirees were very productive. Representing AUSWR were Mary Ann Neuman, Judy Stenberg, Nelson Phelps and Curtis Kennedy.



**RAY STERNOT, NRLN Legislative District Leader and AT&T Ameritech member presents the NRLN 2010 legislative priorities red folder at a Congressional office.**

“Everywhere I went I saw red folders going to the Hill,” said Nelson Phelps as he referred to the resources compiled for all attendees by Judy Stenberg. Each visit to Congressional offices was accompanied by a leave-behind red folder that explained the retiree priorities for 2010. (The *Guardian's* page seven has a summary of the issues discussed with Congressional members).

AUSWR leaders met with members of Congress in our 14-state territory and delivered a strong message of our concerns about federal legislation impacting retirees.



**Mary Ann Neuman  
NWB Area Chair**

“I made ten visits and found that more and more of the offices know about the NRLN,” said Mary Ann Neuman as she described her time discussing our retiree agenda in the Congressional offices. She visited with the staffs of Rep.

Bruce Braley (IA), Rep. Keith Ellison (MN), Rep. Erik Paulsen (MN), Rep. Adrian Smith (NE), Rep. Stephanie Herseth Sandlin (SD), Sen. Al Franken (MN), Sen. Kent Conrad (ND), Sen. Ben Nelson (NE) and Sen. Tim Johnson (SD).

Judy Stenberg made contacts with members of Congress from Oregon, Washington and several mountain region states. During each conversation she made the request for follow-up. For example, Judy is leading follow-up conference calls with the members of the staffs of Sen. Orin Hatch (UT) and Sen. Mark Udall (CO).



**Judy Stenberg  
President  
Oregon-Washington**

Time spent in Washington is not about party politics or ideology. Time in Washington is about protecting and preserving pensions and benefits – and that message was taken to our members of Congress who represent each political party.

AUSWR and the NRLN do not contribute money to any political party or politician. We

*(continued on page 9)*

make our voices heard by our leadership contacts and with your help in grassroots groups who work to contact leaders in your state.

Most important to those of us “back home” were those many visits to members of Congress and their staffs to talk about specific retiree issues that all of the attendees scheduled during their days in Washington. To learn more go to [www.NRLN.org](http://www.NRLN.org) or contact your state leaders.

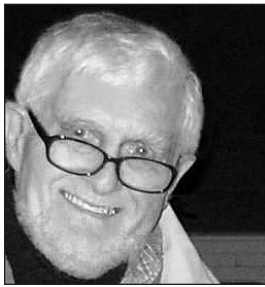
We encourage every Association member

to visit the local office of your representative or senator. Once the snow has been plowed and travel is safe, go and visit them. They need contact with real people. Bring this newsletter with you and show them the list of legislative initiatives you would like to see addressed. Meet the staff at their local office. They’re the eyes and ears of your congressperson. They’re key to getting our message into congressional hands and on their agenda.

## “Goodbye World; Hello Heaven”

by Tom Lee

We became close friends in the early Sixties, when I replaced him as a writer on the old “NWB Magazine,” and Jim Rippey moved on to management jobs.



**Jim Rippey**

He is my hero as a writer and a man. We remained friends through the years, long after our young families camped and partied together in Nebraska, and geography and jobs separated us.

One of his last magazine stories included a cover photo of techs setting up a microwave dish by Mount Rushmore, with the story headline: “The Picture Looks Great in Brussels.” That was a quote from a tech in Belgium as the first TV signals bounced back from the Telstar satellite, and on to a CBS feed.

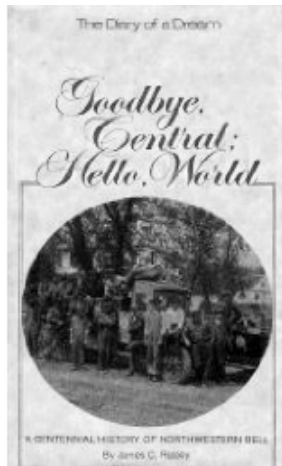
His last major writing project was a history of NWB, called “Goodbye, Central; Hello, World.” Copies are scarce now, but there

are a few available through Amazon and other sources. Mighty good reading, especially for those of us who were there.

Jim died in Omaha at age 83 after a brief illness, right after Christmas. He had been in Hospice House, a place where he’d often visited residents as a volunteer over the years.

Don Rigenbach, retired speechwriter for Dick McCormick and close friend of Rippey and me, wrote an obituary for the *Omaha World-Herald*. Reporter Susan Szalewski wrote a nice piece on “a story-teller, known for his attention to accuracy and detail... He used his skills as a newspaper reporter in Lincoln and Kansas City, and as an employee communications manager at the former Northwestern Bell.”

A few years ago, Jim helped first *Guardian* editor Dick Caldwell and me put together stories on benefit take-backs. Jim told me then that his “biggest fear” was to die before wife Barbara, and leave her with inadequate income. Ironically, he died the week the company sent its post-Christmas letter announcing that the death benefit would end February 28.



--30--

*(Editor’s note: In days when multiple stories might be typed on one page of copy paper, old newspaper reporters’ shorthand for “end of story” was simply --30--.*

## QWEST CLOSES DULUTH DIRECTORY ASSISTANCE OPERATION

(*Duluth News Tribune 2/3&5/2010*) Michelle Olson will fall a few months short of her ten-year anniversary as a Qwest employee. Olson and 51 other communication union workers were notified that Qwest will close its directory assistance operation in Duluth on February 5. Olson, a directory assistance agent, would have reached the decade milestone in May.

“I was pretty angry,” said Olson, a mother of two boys. “I’m going back to school and was hoping to pay for it with work. That is why I’m so angry.”

Qwest spokeswoman Joanne Hjelmeland said decreasing call volume prompted closure of the Duluth directory assistance office. Hjelmeland said, “There has been a trend for customers to use online and cell phones for directory assistance, and that affects these jobs.”

Telephone operators have been part of the communications work force in Duluth since 1881, said Dianne O’Donnell, an operator for 31 years. The city lost its long-distance operators in 1996, and now it’s losing its directory-assistance operators.

The Duluth call center had been spared in

previous rounds of closures by Qwest and even landed additional jobs in 2008, when the company cut its directory assistance operations from eight to four. The call center accounts for more than one-third of Qwest’s local work force. The company employs about another 95 people in Duluth as technicians and workers in its wholesale division. The closure in Duluth will be paired with a similar shutdown in Pueblo, CO.

“They’re not closing Duluth because it wasn’t a good center. It’s been a very good center,” said CWA Local 7214 president Terri Neuman, citing numerous customer service awards the local operation has earned.

Newman said upcoming meetings on severance, medical payments and educational benefits will aid Michelle Olson and others soon-to-be let go. “This is the first time I’ve been laid off,” Olson said. “I not sure what I’m going to do.”

Qwest will offer a limited number of relocations to its call center in Midvale, Utah.

Diane O’Donnell’s reaction, “It’s the end of an era.”

## JUSTICE PREVAILS; JOE STAYS IN JAIL

Former Qwest Chair and CEO Joe Nacchio, currently incarcerated in federal prison after conviction for insider trading, received a lump of coal instead of a Christmas present in December.

The U.S. Supreme Court declined Nacchio’s plea to reconsider their earlier refusal to re-hear his appeal.

The thousands of former and current Qwest stockholders, retirees and employees who lost tens of thousands of dollars during Joe’s reign as head of Qwest must have reacted very positively to the court’s refusal to hear Nacchio’s appeal.

The *Denver Post’s* Andy Vuong noted the U.S. Supreme Court in October declined to hear Joe Nacchio’s appeal of his insider trading conviction. And on November 30, it rejected Nacchio’s request to reconsider that ruling.

This new decision was issued without comment. The court did not solicit additional information from the government before turning down



**Joe Nacchio**

Nacchio’s petition for rehearing.

Nacchio suffered another defeat January 12, when a federal judge denied his motion for a new trial, effectively ending his efforts to overturn the conviction.

Nacchio had argued new evidence had been discovered since he was convicted in 2007, pointing to deposition testimony provided last February by former Qwest chief financial officer Robin Szeliga in a pending civil fraud case.

The current rulings mark the end of a slate of appeals Nacchio had filed.

He was convicted in 2007 on 19 counts of illegal insider trading connected to his sale of \$52 million in Qwest stock in early 2001. He appealed to the Supreme Court in March and began serving a six-year prison term in April, 2009.

A resentencing ordered by the 10th Circuit Court of Appeals that could cut Nacchio’s prison term is ongoing.

# LOOK AT YOUR MAILING LABEL IS YOUR RENEWAL DATE JULY 2011 OR GREATER?

If it is, then you may have noticed there was an error on the last *Retiree Guardian*. The mailing service we used hard-coded all addresses to read "Renewal Date July 2010" rather than the actual date your membership expires. They promised the error would be corrected on this issue.

If you still have a question about your renewal date, give Jamie Bedsole at our Association office a call at 763-432-3085 or send an e-mail to [qwestretires@bydesignsolutions.com](mailto:qwestretires@bydesignsolutions.com)

If your renewal date is July 2010, then your membership will expire this July. But, please

feel free to send in your renewal at any time.

In several articles in this newsletter we're asking you to consider attending the 12th Annual Meeting to be held in the Twin Cities on May 6th.

Why not make it easy on yourself, save a stamp and send everything in one envelope — your ballot for the Board of Directors, your reservation for the annual meeting and your membership dues for 2010-2011.

Sounds like a plan to me!

*Mary Ann Neuman*

## NRLN ACTION ALERT: HEALTH CARE REFORM WATCH

# DON'T CAUSE COMPANIES TO ELIMINATE RETIREES' PRESCRIPTION DRUG PLANS

As you know, health care reform was passed in the U.S. Senate on Christmas Eve; the U.S. House of Representatives' health care reform bill passed on November 8.

The NRLN has not endorsed either bill. NRLN efforts focused on preventing the enactment of any provisions harmful to retirees, and supporting the few provisions beneficial to retirees. Our full NRLN health care stand is on our website: [www.NRLN.org](http://www.NRLN.org). Examining the Senate and House bills, which in all likelihood may change, we learned both contain provisions that fail to protect retirees.

Each bill contains language to begin taxing employers for federal subsidies they receive, in return for maintaining retiree prescription drug plans, rather than enrolling their Medicare-eligible retirees into the government's Part D drug plan.

The provisions in House and Senate bills to tax the subsidy would dramatically increase a company's tax liability — and the likelihood the company will drop drug coverage entirely.

Whatever changes are made to the bill in the ensuing months, the NRLN and other groups representing retirees' interests are deeply concerned this provision will encourage companies to cancel or cut drug benefits for millions of retirees. Our Washington, DC team members are working on Capitol Hill to convince Congress to remove these provisions and allow existing tax law to stand.

How you can help — monitor the progress of any health care bill legislation. Contact your members of Congress, and urge them to remove the provision harmful to retirees from the final bill that may go back to the House and Senate for a vote.

Ask them to prevent the harm to retirees that would most certainly be the consequence of the elimination of the tax deduction for federal subsidies for company-based prescription drug plans. If you have Internet, you can get the phone numbers for members of Congress through the NRLN's Capwiz website at <http://capwiz.com/abtr/dbq/officials/>.

***AUSWR supports the work of the NRLN as the organization works for federal legislation to protect and preserve retirees pensions and benefits.***

**NOMINATING COMMITTEE'S REPORT  
2010 - 2012 BOARD OF DIRECTORS  
NWB-U S WEST-QWEST RETIREE ASSOCIATION, INC.**

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Members of the Nominating Committee appointed by Chair Mary Ann Neuman were: Dick Bruner, Les Watts and Chuck Haas. Directors whose terms expire in 2010 are Ray Larson (MN), Virginia Busch (NE), Patty Jenkins (SD) and V. Kaye Ramsey (NE).

The Nominations Committee identified four (4) candidates - noted by asterisks on the ballot.

The general membership nominated one (1) candidate.

The candidates are listed on the ballot in alphabetical order.

**In accordance with our bylaws:**

- 1) Candidates and voters must be paid up members with their "Renewal Date" of July 2010 or later.
- 2) Ballots received after April 19, 2010, those that are not signed, those voters whose dues are not current and those voting for more than four (4) candidates will be invalidated.



**ELECTION BALLOT**

**PLEASE VOTE FOR NO MORE THAN FOUR (4) CANDIDATES:**

The candidates are:

- |     |                              |            |
|-----|------------------------------|------------|
| ( ) | * Thurman Ballard            | Omaha NE   |
| ( ) | * Virginia Busch (Incumbent) | Omaha NE   |
| ( ) | * Ray Larson (Incumbent)     | Edina MN   |
| ( ) | Don McCullough               | Omaha NE   |
| ( ) | * John Silvernail            | Yankton SD |

**Mail this election ballot to:**  
**NWB-U S WEST-Qwest**  
**Retiree Association, Inc.**  
**701 Decatur Avenue North #105**  
**Golden Valley, MN 55427-4363**

|                     |          |
|---------------------|----------|
| For use only by DBA |          |
| [ ]                 | Valid    |
| [ ]                 | Invalid  |
| _____               | Initials |

YOUR NAME \_\_\_\_\_  
(please print)

SIGNATURE \_\_\_\_\_

STREET \_\_\_\_\_

CITY/STATE/ZIP \_\_\_\_\_

TELEPHONE \_\_\_\_\_

**Must be received no later than April 19, 2010.**

NOTE: If more than one Association member is in the household, both are eligible to vote. Please make a copy of this ballot to use, or simply write the names of your choice of candidates on a plain piece of paper, sign it and mail it as directed above.





We thank you for providing us names of friends and associates retired or passed away. Qwest will not give us those names as it did in the past. Thus our list may be incomplete, but it does represent your and our best efforts to keep in mind the names, memories and contributions of fellow workers. If you have names for this list to go in the next issue, please e-mail them to:

maneuman12@msn.com.

**DEATHS, IOWA**

Egeland, John  
 English, Margaret (MO)  
 Garrett, Roy L  
 Jeffries, Ralph K  
 Long, Robert P (CO)  
 Naber, Marvin  
 Nevins, Lawrence  
 Rippey, James C  
 Shippey, "Doug" AZ  
 Spence, J. W. "Wally"  
 Williams, Berneice (TX)  
 Williams, Grover J. (GA)  
 Zimmerman, Frank

**DEATHS, MINNESOTA**

Anderson, Ira L. "Lyle"  
 Brandt, Clayton L  
 Buswell, Floramae O  
 Cameron, Alan J.  
 Clark, Barbara A  
 Davis, Mary  
 Desler, Raymond F  
 Hennen, Philamine A  
 Hurska, Charles  
 Johnson, Nancy K  
 Kurek, Harriet C  
 Loh, Jean  
 Martinson, Richard M  
 Pierce, Mary C

**MN (continued)**

Powell, Stephen R  
 Rock, Lawrence W  
 Ross, Marian D  
 Rossel, Helen  
 Schwemmer, Anna  
 Simenstad, Marjorie  
 Smidt, Jeanette L  
 Stangl, John T  
 Stidger, Viola C (FL)  
 Storlie, Marion  
 Sundbom, Roger C  
 Thielman, Louis T  
 Thomson, Norton  
 Yost, Eugene A

**DEATHS, NEBRASKA**

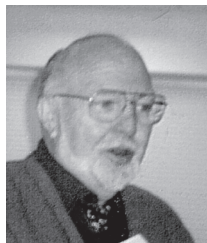
Gamerl, Glen  
 Hillstrom, Alice D  
 Jensen, Robert B  
 Lang, Mildred C  
 Letovsky, John M  
 Lindmier, Charles

**DEATHS, NORTH DAKOTA**

Stockton, Donald R

**DEATHS, SOUTH DAKOTA**

Bendt, Henrietta  
 McNulty, Leon  
 Wakeman, Lloyd (AZ)



**Howard Rickman, AUSWR Ombudsman**

**March 6, 1928 — January 24, 2010**

If ever you doubt for a moment that one person can make a difference, look at the life of Howard Rickman. He was AUSWR Ombudsman, leader of the

14-state Retiree Advocate program.

Howard led communications with Qwest to cut through misunderstandings between retirees and the Qwest Service Center and Human Resources staffs to ensure that earned benefits were awarded justly.

No question from a retiree went unanswered. When retirees made mistakes, Howard was there

to help negotiate fixes so the retirees didn't lose benefits.

Daughter Lynn said, "He never gave up helping the retirees, even getting calls at home and while he was in the hospital and giving mom some answers to tell people." Howard is survived by his wife, Mary Lou, daughter Lynn and son Patrick.

In lieu of flowers, please send donations in the name of T. Howard Rickman, Jr. to Woody Froom Medical Foundation for Chronic Kidney Failure Patients, 3939 SW 45th Ave., Portland, OR 97221.

**HOWARD WOULD INSIST THAT WE REMIND YOU...**

**RETIREE ADVOCATES -- "Here to Help You"**

- If you have questions about your benefits, contact the Qwest Service Center at 800-729-7526
- Select Option Two for retirees, then select the appropriate options on the menu.
- If you put your question or claim in writing, send it to the  
**Qwest Service Center, P.O. Box 23548, Jacksonville, FL 32241-3548**
- If you are unable to resolve your problems after contact with Qwest, contact your Retiree Advocate:

**Vikki Farrand, IA & SD**  
 605-332-3670  
 LLFarrand08@yahoo.com

**Barb Hermanson, MN & ND**  
 763-757-4985  
 brbrhr@msn.com

**Jim Heinze, NE**  
 303-442-1831  
 jjonrr@ecentral.com

# Who Are the NRLN Members?

Each year the NRLN surveys individual members with questions about their retiree status. The information is used to tell members of Congress exactly who is backing our retiree agenda and who the NRLN represents. Here are the 2009 survey results — the 2009 NRLN Fact Sheet.

## Demographics:

8,059 participants answered questions in a NRLN survey conducted in April /May 2009.

## Retirement status:

- 82.3% salaried retirees
- 14.9% formerly union represented retirees
- 49.8% retired for more than 10 years
- 48.2% retired for less than 10 years
- 2.0% not retired

## Age:

- 60.7% age 65 or older
- 39.0% age 50 – 64;
- 0.4% younger than 50

## Healthcare Current Coverage:

- 68.8% former employers provide a healthcare plan for retirees.
- 59.8% former employers provide a dental plan for retirees.
- 27.9% former employers provide a vision care plan for retirees.
- 66.9% enrolled in former employer's health care plan.
- 30.5% receive healthcare coverage from Medicare and former employer's plan.
- 26.8% receive healthcare coverage from their former employer's plan.
- 62.7% spouses receive healthcare coverage from the retirees' former employers.
- 59% enrolled in former employer's prescription drug plan.
- 43.2% have catastrophic healthcare coverage from their former employer.
- 41.5% don't know if they have catastrophic healthcare coverage.

## Healthcare Future Coverage:

- 56.7% strongly agree or agree that their former employer will continue to offer healthcare plans but all annual cost increases will be paid by the retiree.
- 40.6% strongly agree or agree that their former employer will continue to offer healthcare plans but the retiree will pay 100% of the cost.
- 55.3% strongly agree or agree that their former employer will discontinue paying and offering healthcare insurance.

## Healthcare Expenses:

- 7% spend more than 25% of monthly after tax income to pay healthcare insurance premiums.
- 6.4% spend between 21% – 25% of monthly after tax income to pay healthcare insurance premiums.
- 11.3% spend between 16% – 20% of monthly after tax income to pay healthcare insurance premiums.
- 20.9% spend between 11% – 15% of monthly after tax income to pay healthcare insurance premiums.
- 37.6% spend less than 10% of monthly after-tax income to pay healthcare insurance premiums.

## Pension:

- 86.9% receive a defined benefit pension.
- 55.4% strongly agree or agree that their former employer will try to avoid properly funding their pension plan.
- 40.4% strongly agree or agree that their former employer will try to get the Federal Government (PBGC) to take over their pension plan.
- 42.6% strongly agree or agree that their former employer will use pension funds to pay separation and layoff bonuses.

## Life Insurance:

- 49.8% have a life insurance benefit from their former employer.
- 34% had their life insurance benefit reduced by their former employer.
- 18.4% had their life insurance benefit eliminated by their former employer.

## Company Financial Status:

- 29.8% former company has declared bankruptcy.
- 29% former company is at risk of declaring bankruptcy.
- 17.1% former company is financially weak but will probably not declare bankruptcy.
- 33.4% former company may merge with or be purchased by another company

To subscribe to the NRLN Action Alert e-mail program, go to [www.NRLN.org](http://www.NRLN.org) and click the E-MAIL tab.

NWB-U S WEST-Qwest Retiree Association Inc.  
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## Membership Application & Renewal NWB-U S WEST-Qwest Retiree Association, Inc.

Phone: 763-432-3085 E-mail: qwestretirees@bydesignsolutions.com

New  Renewal  Change  Extra Date \_\_\_\_\_

please print

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_ Zip Code \_\_\_\_\_ - \_\_\_\_\_

Phone \_\_\_\_\_ E-mail \_\_\_\_\_

Retired from (Company) \_\_\_\_\_ State \_\_ Year \_\_\_\_\_

| Dues (check one)                                    | Extra:                          |
|---|---------------------------------|
| <input type="checkbox"/> 1 year \$20.00 per person  | \$ _____ Litigation Fund        |
| <input type="checkbox"/> 3 years \$50.00 per person | \$ _____ Membership Development |

Total enclosed \$ \_\_\_\_\_

I'd like to help (circle) Calling Committee Membership Legislative Action

**Please make your check payable to: NWB-USW-Qwest Retiree Association, Inc.**

**and mail this form with your check to: NWB-USW-Qwest Retiree Association, Inc.  
701 Decatur Avenue N, Suite 105  
Golden Valley, MN 55427-4363**

NWB-U S WEST-Qwest Retiree Association, Inc. is a non-profit tax-exempt organization under Section 501(a) of the Internal Revenue Code; however, dues are not deductible on your personal tax return. Records are kept at 701 Decatur Avenue N, Suite 106, Golden Valley, MN 55427-4363. A portion of your dues goes to support the National Retiree Legislative Network (NRLN) in Washington, D.C. and the Association of U S WEST Retirees (AUSWR) in Denver, CO.

### Retiree Advocates:

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#### MINNESOTA & NORTH DAKOTA

**Barb Hermanson**

Associate Ombudsman

763-757-4985

brbrhr@msn.com

#### NEBRASKA

**Jim Heinze** (temporary)

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