



Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters

Freddie N. Simpson
President

Perry K. Geller, Sr.
Secretary-Treasurer

May 21, 2010
(via email)

National Division Officers
and General Chairmen

Dear Sirs and Brothers:

Re: **“Notice of Proposed Settlement of Class Action”**

This week, members began to receive a “Notice of Proposed Settlement of Class Action and Final Settlement Hearing” in the case of *The American Medical Association v. United Healthcare Corp.* The Union first became aware of this mailing last week when United HealthCare (UHC) representatives informed the CRLO Subcommittee of the existence of the proposed settlement. The purpose of this letter is to explain, in layman’s terms, the purpose of the notice and outline some of its provisions. Also enclosed is a 10 page document of Frequently Asked Questions obtained online from www.berdonclaims.com, website operated by the Claims Administrator in this case.

Please note, however, the BMWED offers no opinion regarding the reasonableness of the settlement’s terms to individual members. Each member must make that determination, and if the member desires, he or she should seek the advice of counsel with which they have an attorney-client relationship.

Background

As set forth in page 2 of the Notice, the lawsuit alleges that United Healthcare utilized flawed databases developed by Ingenix (a company owned by UHC) to disadvantage subscribers to plans and providers of medical services by underpaying both benefits and reimbursements. The parties have proposed to settle this litigation without resort to a trial or a finding of liability. The proposed settlement allocates \$350 million to settle class claims arising from the lawsuit and an additional \$50 million will be given to Syracuse University to construct new databases for use in determining the “reasonable and customary” charges for out-of-network services.

A class action is a legal proceeding where the potential number of plaintiffs are so large they cannot be joined individually. In a class action, the court certifies certain parties as class representatives and those representatives can make binding legally enforceable decisions for the rest of the class. In this case, the class representatives have negotiated the settlement agreement with UHC.

20300 Civic Center Drive, Suite 320
Southfield, MI 48076
Telephone 248.948.1010 Facsimile 248.948.7150
www.bmwe.org

Does a member have to accept the proposed settlement?

As a potential member of the class, you can opt out of the Settlement and proceed against UHC with your own lawsuit. However, you must send a statement to that effect that is postmarked no later than July 27, 2010 to:

United HealthCare Class Action Litigation – EXCLUSIONS
c/o Berdon Claims Administration LLC
P.O. Box 15000
Jericho, NY 11853-0001

Additional information regarding this withdrawal is presented on Page 7 of the Notice.

How does a member file a claim?

A member must file the Claim Form set forth in the Notice. Members considered “Subscribers” under the Notice are permitted to file Subscriber claims. “Providers” are the medical professionals who performed services.

There are three different claim groups: A, B and C. Those who make a claim in Group A cannot also file a Group B or Group C claim.

Group A is the “simplified” claim form. A Group A claimant is “*only* required to provide the number of years, during the period from 1994 through 2009, that [the claimant was] a member of any Defendant’s healthcare plan that provided Covered OON Services or Supplies.” Notice, Page 5. Group A claimants have a maximum benefit of \$50 for each year they were a member of the plan and partial years count as whole years for such purposes.

The Group B and Group C claims involve actual dollar amount claims for monies each claimant believes owed to him or her for actual claims submitted for reimbursement during the period 1994 through 2009. The maximum amount to be awarded under Group B is \$2000 per claimant and the same amount under Group C.

Claims under Groups A, B or C must be postmarked no later than October 5, 2010 and sent to the following address:

United HealthCare Class Action Litigation
c/o Berdon Claims Administration LLC
P.O. Box 15000
Jericho, NY 11853-0001

The Proof of Claim forms begin at Page 8 of the Notice.

How do I know if I'm a Claimant?

When the National Division and various Systems began receiving questions regarding eligibility, we submitted questions to the Claims Administrator asking for clarification regarding the eligibility of members who were in CHCB coverage during the period and those dependents of members who were covered by a hospital association. I have enclosed the answer from the Claims Administrator. Unfortunately, the answer is not a paragon of clarity. All the Union can suggest at this point is that those members and dependents who did not receive the Notice should go to the website and download claim information.

I want to stress any individual member's legal questions should be taken up with counsel who represents that member through an attorney-client relationship. The legal rights each member has in this lawsuit must be exercised by that member and that member alone.

Additional information regarding the lawsuit and the Notice can be obtained online at:

www.berdonclaims.com

www.unitedUCRsettlement.com

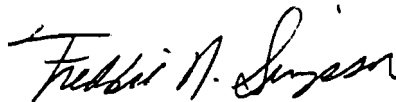
Members also can e-mail the Claims Administrator at:

unitedhealthcare@berdonclaimslc.com

The Claims Administrator can be reached (toll-free) at: (800) 443-1073

If additional relevant information becomes available, National Division will distribute it to the National Division Officers and General Chairmen.

Fraternally yours,



President

cc: Mr. Perry K. Geller, Sr.
National Division Appointees