



NFLPA

Former Player Benefits Overview

How Far We've Come

Actual History of Pension Credits by CBA							
<u>Credited Season</u>	<u>1982</u>	<u>1993</u>	<u>1998</u>	<u>2002</u>	<u>2006</u>	<u>2011</u>	<u>2014</u>
Pre-1959	-	\$80	\$100	\$200	\$250	\$374	\$374
1959 – 1965	\$60	\$84	\$100	\$200	\$250	\$374	\$374
1966 – 1967	\$65	\$91	\$100	\$200	\$250	\$374	\$374
1968 – 1969	\$85	\$119	\$130	\$200	\$250	\$374	\$374
1970	\$110	\$154	\$170	\$200	\$250	\$374	\$374
1971	\$115	\$161	\$175	\$200	\$250	\$374	\$374
1972 – 1974	\$120	\$168	\$185	\$200	\$250	\$374	\$374
1975 – 1976	\$120	\$168	\$185	\$200	\$250	\$358	\$358
1977 – 1981	\$130	\$182	\$200	\$200	\$250	\$358	\$358
1982 – 1992	\$150	\$210	\$230	\$230	\$255	\$363	\$363
1993 – 1994	\$150	\$300	\$240	\$240	\$265	\$265	\$363
1995 – 1996	\$150	\$300	\$285	\$285	\$315	\$315	\$363
1997	\$150	\$300	\$330	\$330	\$365	\$365	\$365
1998 – 2011	\$150	\$300	\$425	\$425	\$470	\$470	\$470
2012 – 2014	\$150	\$300	\$425	\$425	\$470	\$560	\$560
2015 – 2017	\$150	\$300	\$425	\$425	\$470	\$660	\$660
2018 – 2020	\$150	\$300	\$425	\$425	\$470	\$760	\$760

One Union, One Message, One Team

We need **all former players** to push the owners to **increase our benefits** in this new CBA. We absolutely cannot be divided in this endeavor.

Throughout our history we've ***been the strongest and achieved the most*** when players stood shoulder to shoulder, supporting one another in our fight.



One Union, One Message, One Team

As former player advocates, our mutual goals *must* be to:

Support the active players in their continued fight to increase our health, financial security and post-football transition benefits at the bargaining table.

Seek as much contribution from NFL owners as possible.

2011 CBA Benefits

Active Players pay for all benefits out of their portion of the salary cap except for the Legacy Benefit.

For the first time, the players were able to get the owners to pay **51%** of the Legacy Benefit.

- **\$620 million** in retired players benefit \$ (of approx. \$900M) went to the pre-93 players in the Legacy Benefit.
- **\$22 million** a year with 5% increments over the life of the agreement went to The Trust for former player transition services.
- Significant increases and improvements to former player pensions and benefits:
 - Second Career Savings Plan
 - Player Annuity Program
 - HRA
 - Line of Duty Disability
 - Total and Permanent Disability
 - Severance Payments
 - Widows and Surviving Children Benefits
 - 88 Plan
 - Former Player Life Improvement Plan (includes a Medicare supplement, Long Term Care Insurance, Joint Replacement, Life insurance, prescription drug card, spine treatment and neurological services. The Neuro Cognitive Benefit was created.)



Inside The Legacy Benefit



Created by the NFLPA to increase retirement benefits for players who played in the pre-1993 era.

From feedback gathered from all former player groups, it was determined that increasing direct payments to former players was the most preferred choice so that former players could make their own individual decisions as to what to do with the benefit money they received.

4,800 players with credited seasons prior to 1993 had their pensions **increased**.

The NFLPA bargaining unit negotiated this increase in 2011.

Legacy Benefit, cont.

To maximize how many former players would qualify for the Legacy Benefit the NFLPA fought to make sure:

Players who took their pensions early would still benefit.

Players whose careers spanned from the 1980's into the 1990's would still benefit.

Players whose monthly pensions were below \$600 were brought up to a \$600 minimum floor.

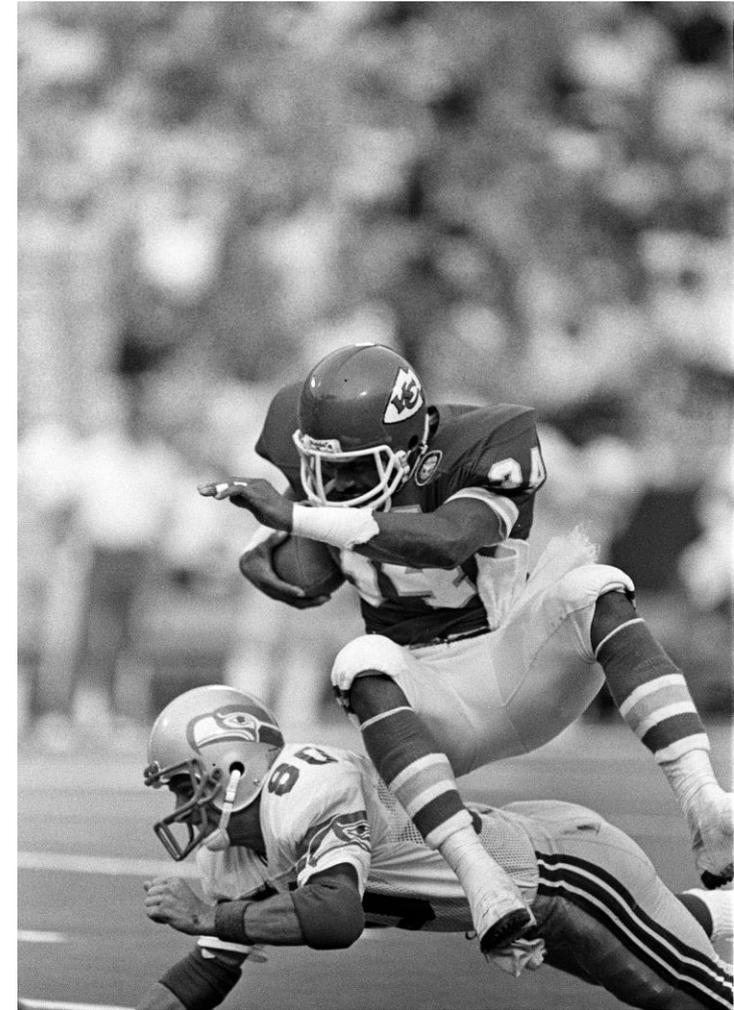
The pre-1975 players would receive more of a Legacy Benefit due to their late stage in life.

Some former players didn't want these additional provisions as it would reduce their prospective Legacy payments, but the NFLPA leadership wanted to assist as many former players as they could with this benefit.

Legacy Benefit, cont.

The NFLPA included the widows and survivors of eligible pre-1993 players in the Legacy Benefit.

That added approximately 330 widows and other survivors to the benefit.



Legacy Benefit, cont.

The NFLPA increased the pensions of players who played from 1993-1996. This “**special credit**” **increase**, which was funded through the joint contribution provision of the CBA, cost the current players \$35.4 million and was funded over three years.

That “special credit” increase brought the money set aside to increase former player pensions **up to \$655 million.**

2018 Benefit Costs



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2018 Benefit Costs

1,204 former players receive the Line of Duty partial disability benefit under the Bert Bell Plan, paid for out of the salary cap.

862 former players receive Total and Permanent Disability benefits.

1,327 former players converted from Total and Permanent Disability benefits to Pension.

Cost of these benefits -- ***\$5.0m per club, \$160m leaguewide in 2018; paid out of active player benefits***

2018 Benefit Costs

- 124** former players receive the new Neuro-Cognitive benefit, paid out of the salary cap.
- 294** former players receive Plan 88 benefits, paid out of the salary cap.
- 308** former players received a Gene Upshaw PAT grant in 2018.*
- 244** former players received a Player Care Foundation grant in 2017-18.*

* Funding is provided by active players fine money, This was approximately \$5.0m in 2018.

2018 Benefit Costs

The Trust services, funded by a Joint Contribution under the CBA, have increased to a cost of **\$28m in 2018**.

Workers Compensation benefits for former players which are paid for out of the salary cap, came in at a cost of \$1.7m per club, or \$54.4m league wide in 2018.



A History of Pre-2011 CBA Benefit Increases



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1993 CBA

Beginning in 1993, the NFLPA obtained **significantly increased pensions** for retired players four times from 1993 to 2006. Pre-59ers were included in the Retirement Plan for the first time in 1993, and their benefits have since been more than tripled.

Under the 1993 CBA the player vesting standard was reduced from four seasons to three for all players with a season after 1992.

The 1993 CBA added 854 former players and beneficiaries to the Retirement Plan.



1998 CBA

Under the 1998 CBA the vesting standard for all older former players was reduced from five seasons to four seasons so that more former players could receive a pension. There was a **19% monthly increase** for all former players.



2002 CBA

The 2002 CBA created a minimum \$200 per credited season for 1920-1982 former players. This required **an additional \$110 million** from the active players.

Players who had injured reserve seasons prior to 1970 previously not counted towards vesting were **now included**.



2006 CBA

In 2005-2006 current players contributed \$39 million to fund retirement benefits for former players.

In the 2006 active players gave up \$147.5 million for benefits to former players. This means each active player gave up approximately \$82,000 of his salary for medical, disability, and retirement benefits for former players.

From April 2006 to March 2007 active players gave up approximately \$96.5 million to fund retirement benefits for former players.

\$31 million to fund medical benefits for former players. That \$31 million breaks down as follows:

- \$18 million in contributions to the HRA.
- \$2 million to 88 Plan.
- \$11 million for five years of fully paid health care post-retirement.

\$20 million to fund disability benefits for former players.

2006 CBA

The \$96.5 million active players gave up in 2006 is a **147.5% increase** over the \$39 million 2005 pre CBA contribution.

Additionally the 2006 CBA

- **Significantly increased** Total and Permanent Disability benefits.
- **Tripled** widow and surviving children benefits.
- Created 88 Plan



Percentage Increase

Progression of Monthly Pension Benefits by CBA

Benefit Credit Pension and Legacy Credit Pension

	Actual Pension Credits by CBA											
	1982 CBA	1993 CBA		1998 CBA		2002 CBA		2006 CBA		2011 CBA		Overall % Change from Initial Benefit
		Monthly Benefit	% Change from Prior CBA									
Player who retired after the 1958 Season with:												
4 Credited Seasons	-	\$320 *	n/a	\$400	25%	\$800	100%	\$1,000	25%	\$1,496	50%	368%
7 Credited Seasons	-	\$560 *	n/a	\$700	25%	\$1,400	100%	\$1,750	25%	\$2,618	50%	368%
10 Credited Seasons	-	\$800 *	n/a	\$1,000	25%	\$2,000	100%	\$2,500	25%	\$3,740	50%	368%
Player who retired after the 1970 Season with:												
4 Credited Seasons	\$345	\$483	40%	\$530	10%	\$800	51%	\$1,000	25%	\$1,496	50%	334%
7 Credited Seasons	\$530	\$742	40%	\$830	12%	\$1,400	69%	\$1,750	25%	\$2,618	50%	394%
10 Credited Seasons	\$710	\$994	40%	\$1,130	14%	\$2,000	77%	\$2,500	25%	\$3,740	50%	427%
Player who retired after the 1981 Season with:												
4 Credited Seasons	\$520	\$728	40%	\$800	10%	\$800	0%	\$1,000	25%	\$1,432	43%	175%
7 Credited Seasons	\$890	\$1,246	40%	\$1,370	10%	\$1,400	2%	\$1,750	25%	\$2,506	43%	182%
10 Credited Seasons	\$1,250	\$1,750	40%	\$1,925	10%	\$2,000	4%	\$2,500	25%	\$3,628	45%	190%
Player who retired after the 1992 Season with:												
4 Credited Seasons	\$600	\$840	40%	\$920	10%	\$920	0%	\$1,020	11%	\$1,452	42%	142%
7 Credited Seasons	\$1,050	\$1,470	40%	\$1,610	10%	\$1,610	0%	\$1,785	11%	\$2,541	42%	142%
10 Credited Seasons	\$1,500	\$2,100	40%	\$2,300	10%	\$2,300	0%	\$2,550	11%	\$3,630	42%	142%

* Pre59er Plan from 1987 - 1992 gave players \$60 per Pre59er season

Major Sports League Retirement Benefit Comparison



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Benefit	NFL	MLB	NBA	NHL	CFL	MLS
Pension Plan	Yes	Yes	Yes	Yes	Yes	No
Pension Plan Vesting Requirement	3 years (post 1992)	1 day	3 years	1 day	9 games	N/A
Severance Plan	Yes	No	No	No	No	No
401k Plan	Yes	Yes	Yes	Yes	No	Yes
Other Deferred Compensation Plan	Yes	No	Yes	No	No	No
Health Insurance (Current Players)	Yes	Yes	Yes	Yes	Yes	Yes
Health Insurance (Former Players, other than COBRA)	5 years	For life potentially	For life potentially	For life potentially	No	No
Life Insurance	Yes	Yes	Yes	Yes	Yes	Yes
Dental Insurance	Yes	Yes	Yes	Yes	Maybe	Yes
Health Reimbursement Account	Yes	No	Yes	No	No	No
Long Term Care Insurance	Yes	No	Potentially	No	No	No
Wellness Benefits	Many	Some	Some	None	None	None
Disability Benefits (Current Players)	Yes	Yes	Yes	Yes	Maybe	Yes
Disability Benefits (Former Players)	Yes	Yes	No	No	No	No
Neurocognitive Disability Benefits	Yes	No	No	Only for current players	No	No
Workers' Compensation	Yes	Partial	Yes	Yes	Prohibited by law	Yes
Education-Related Benefits	Yes	No	Yes	Yes	No	For some players
Joint Health-Specific Committee(s)	Yes	Yes	Yes	Yes	Yes	Yes

Health Insurance

NFL Former players health insurance, does offer a lower cost alternative, which can be elected at the end of the 5 years of coverage and can be paid from the Health Reimbursement Account.

The NBA covers a basic plan for vested players for lifetime medical. They insure 1,000 former players versus NFL player universe of 8,600 former players. Adding dependents and upgrading to a better plan come at a cost.

The MLB players may elect to buy into the plan when they retire. There is no extension of paid health insurance but one third of the premium is paid. They do not have an Health Reimbursement account to pay two thirds of the premium.

Vesting

The NFL Player Retirement Plan is based on vesting of 3 years, which is slightly under the average career of a NFL player (3.5 years).

MLB players have an average stay in the minor leagues of 7 years before making it to the majors, therefore when they do make it they vest in their 1st game of MLB play.

A similar comparison can be made for the NHL.

Table 3-J (page 127)

Projected Monthly Payments for Player who Last Played in 2000 and Will Begin Retirement Benefits at Age 62

	1 CS	3 CS	5 CS	10 CS
Values in Harvard Study	\$470	\$1,410	\$2,090	\$3,661
Correct Values	\$0 (not vested)	\$2,697	\$4,090	\$7,562

Table 3-K (page 127)

Projected Monthly Payments for Player who Last Played in 2015 and Will Begin Retirement Benefits at Age 62

	1 CS	3 CS	5 CS	10 CS
Values in Harvard Study	\$470	\$1,720	\$2,810	\$5,160
Correct Values	\$0 (not vested)	\$3,405	\$5,376	\$9,871

Collective Bargaining



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Three Types of Bargaining

There are three main classification of bargaining subjects: mandatory, permissive, and illegal. Wages, health and safety, management rights, work conditions, and employee/player benefits fall into the **mandatory category**.

Permissive subjects are those that are not required but may be brought up during the process. Non-employee/Former player subjects are in this category.

We can also classify bargaining subjects as **illegal subjects**, which obviously cannot be discussed. These types of illegal subjects may be of a discriminatory nature or anything that would be considered illegal outside the agreement.



Just The Facts

Active players have a proven track record of fighting for increased benefits for former players, despite having to deal with fighting their own brothers.

Unfortunately, several faction groups of former players have put out misinformation, which has led to confusion and division, costing us leverage.

The most effective approach is solidarity from **all** former players to push NFL owners to do what is right and give their share to increase the quality of life of former players who helped them build their stadiums, filled their rings of fame, entertained their corporate sponsors, and increased the value of their teams to an average of \$2 billion today.

How You Can Help

Stay united behind the NFLPA and our leadership.

Get information directly from us. Have questions? **Reach out.**

Ask the owners to double their contribution to the benefits for all former players.

Ask the owners to stop fighting workers comp claims which take away lifetime injury care benefits from our former players.



The image features two large, red, hatched geometric shapes. One is a large trapezoid on the left side, and the other is a triangle on the right side. The hatching consists of many thin, parallel red lines. In the center of the white space between these shapes, the word "Questions?" is written in a bold, black, sans-serif font.

Questions?



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**THANK
YOU**