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Congressman Knollenberg
2349 Rayburn House Office Building
Washington, DC 20515

June 4, 2008

Dear Congressman Knollenberg,

I received your letter dated May 14, 2008 and take exception to your response to my concerns with Chrysler eliminating Non Union Salary Retirees life insurance.

First of all, we are aware that it is crucial for individuals to have a life insurance policy to ensure that our family has the financial means to move forward. We Retirees had that insurance in hand when we retired and depended on Chrysler keeping its word when they told us we had that benefit. Chrysler elected to be self insured rather to purchase policies from an insurance company. They did this for cost effectiveness. If they had purchased policies, we could have continued them and paid our own premiums. I think law prohibits insurance companies from arbitrarily canceling insurance policies, so if Chrysler decided to be the insurer, they should not be allowed to cancel the insurance. We should at least have the option to pay the premiums ourselves.

Second, we were notified by Chrysler that the life insurance would be terminated on June 1, and that we would receive packages from MetLife allowing us to enroll in a special insurance program with group rates. We were told that we would have those packages in hand around mid-May. Those packages were received by us on May 28th. Another broken promise and missed date that they imposed on themselves. We are given until June 6th to apply for the insurance offering.

Chrysler has arbitrarily cancelled a life insurance policy for $127,735 on me. Looking at the "special" group rates that Chrysler obtained for us from MetLife, I see that for someone age 70 in good health the premium would be $3,164 the first year and increasing yearly. At age 79 for instance, the annual premium would be $6,402. Most people at age 70 however are not in good health. I for instance am a diabetic and about to undergo surgery to remove a tumor from my kidney that according to doctors has an over 80% chance of being malignant. So I doubt that I would be eligible to purchase a policy to replace the $128,000 that I lost for an annual premium of $8.660 at my current age of 70, and increasing to $18,979 at age 79. Chrysler Officers have taken to shooting the wounded, instead of offering the consumers the product they want at the right price. What is wrong at Chrysler is not the retirees fault, it is the current management.

You helped hurricane Katrina victims even though they knowingly lived below sea level in New Orleans, you are helping people who purchased homes on nothing down, interest only ARMs at 3% knowing they couldn't pay any more when their rates adjusted. Now you want to help the domestic auto companies who watched gas prices increase for the last few years, while their management failed to recognize that their big, low mileage vehicles would not sell to people who were paying a large portion of their income for fuel. Perhaps it is because none of the executives purchase gas for their vehicles, the company does. Why then didn't you make any comment or take action of helping the Retirees of Chrysler? Chrysler has no votes and we retirees are not just only 15,000 strong, we also have wives, siblings, children, grand children and many friends. And Congressman, most of us live in your Congressional District. If you intend to bail Chrysler out with our tax dollars, while they continue to pay themselves large salaries and bonuses, we retirees and taxpayers demand that you exact something in return. Massive pay cuts are in order; No bonuses; Reinstate Retiree Benefits; All free vehicles and gasoline should be taxable income; all cost and or profit benefits derived from Retiree Benefit reductions should be taxed at 125% and should be outside of the calculation of bonuses. I remember when bonuses were awarded for doing and exemplary job and increasing profit.

Companies now pay bonuses when profits increase and also when they lose money and put the company on the edge of disaster.

Finally, let me say that if you do not commit to helping us get insurance, because many of us are uninsurable, and get affordable life insurance, I will send a copy of your letter to me to all of the retirees. What Chrysler has done is reprehensible and dis-compassionate. I would liken their action to someone from a Medical Insurance company walking through a hospital and pulling the plugs on all patients on life support to save money. I have enclosed a copy of the letter that you sent me.

I will only wait until the end of June for your reply.

Thank You

Joseph Phillips

Joseph Phillips
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JOSEPH K. KNOLLENBERG
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www.knollenberg.house.gov

May 14, 2008

Mr. Joseph Phillips
1657 CHASE DR
ROCHESTER HILLS, Michigan 48307-1797

Dear Joseph:

Thank you for your phone call expressing your concern with changes to Chrysler's retirement benefits. I appreciate hearing from you and am pleased to respond.

It is crucial that an individual enroll in a life insurance policy to ensure their family has the necessary financial means to move forward. Many times people do not purchase life insurance and the family is left with financial struggles.

On June 1, 2008, Chrysler will no longer extend company-sponsored life insurance to professional-administrative, management and executive retirees. Due to the change, Chrysler recommends either enrolling, or increasing coverage, in optional life insurance coverage as an active employee. If you are retired, Chrysler has made arrangements with MetLife to provide a one-time opportunity to purchase life insurance at a special group rate. You should have received detailed information in the mail regarding this option. If you are a current employee, you may contact Benefit Express at: 1-(888)-456-7800 regarding additional options.

Once again, thank you for contacting me. For more information regarding my position on retirement issues or any other issue in Congress I encourage you to visit my website, **www.knollenberg.house.gov**.

Sincerely,



Joe Knollenberg
Member of Congress

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