

# For now, Kodak backs off on retiree benefit cuts

Written by [MATTHEW DANEMAN](#)

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Eastman Kodak Co. is looking to put its effort to cut health care benefits for some [retirees](#) on the back burner.



The company, in a filing Wednesday, sought U.S. Bankruptcy Court approval for creation of a retirees committee to represent their interests through the Chapter 11 process. Kodak filed for [protection](#) from its creditors on Jan. 19 and, under Chapter 11 of the bankruptcy code, remains in business while seeking to reorganize and emerge from bankruptcy next year.

The [idea](#) of a retirees committee was discussed at length last month before U.S. Bankruptcy Court Judge Allan Gropper in a New York City hearing regarding Kodak's attempt to end the Medicare Advantage plan that it provides to Medicare-eligible retirees.

Gropper put Kodak's motion on hold and encouraged the company to talk with retirees about possible creation of a retirees committee. In Kodak's new motion, the company said the committee would "act as the authorized representative of the retirees with respect to any future proposals to modify [retiree](#) medical and survivor benefits."

Both Kodak retiree group EKRA Ltd. and a collection of retirees had separately filed motions opposing Kodak's Medicare [benefits](#) cuts.

Gropper is scheduled to hold a hearing April 16 about the retiree committee motion.

Under the proposed terms of Kodak's motion, the committee would have access to up to \$175,000 a month of Kodak money for spending on lawyers, consultants and other professionals. The committee also would receive written notice 30 to 60 days in advance of any Kodak-proposed change to [retiree benefits](#).

Committee membership would come from a list of 50 to 75 potential representatives put together by Kodak and a list of 50 potential representatives put together by EKRA. EKRA could draw from the unofficial collection of retirees that joined EKRA in the objections and from individuals who have written the Manhattan court.

Kodak spokesman Christopher Veronda said it was too soon to say how the company will recommend nominees.

As to whether Kodak planned to refile a motion seeking the elimination of its Medicare Advantage plan, Veronda said that once the retirees committee is formed, "we will take another look at the best approach to address legacy retiree costs."

Kodak "hopes to continue with its current approach of maintaining core retiree medical and survivor benefits while significantly reducing its retiree medical and survivor benefits costs, but recognizes that the delay in initial modifications may accelerate the comprehensive review of existing retiree medical and survivor benefits," he said.