

# CONTRACTORS, LABORERS, TEAMSTERS and ENGINEERS

## HEALTH AND WELFARE PLAN

June 10, 2015

TO: Contributing Members of the Health & Welfare Plan

FR: CLT&E Fund Office

- On behalf of the CLT&E Board of Trustees

RE: Rate Reduction!

Many of you will recall the strain the 2008 “financial crisis” had on the construction industry. For many, it would be years before conditions, and jobs, improved and/or stabilized. As for the Health and Welfare Fund, 2011 and 2012 were especially difficult as construction slowed and claims rose.

Today, the CLT&E Board of Trustees is pleased to report that the Fund is financially stronger than it has been in years. With contributions stabilizing and claims retreating, the Fund is once again maintaining healthy reserves. **With this improved economic environment serving as the backdrop, the Board has elected to temporarily decrease the hourly contribution \$.50 - from \$5.50 per hour to \$5.00 per hour with the \$.50 being added to your hourly wage. This price rollback will effective July 1<sup>st</sup> and will remain in place throughout the year (2015).** Contractors will be contacted shortly to ensure that this decrease translates into an increase in your weekly check!

This unprecedented move recognizes and rewards the efforts of its membership. As mentioned above, claims have actually fallen over the past few years due in part to the membership’s willingness to take cost saving measures; such as, the use of generic drugs, limiting emergency room visits when possible and changing doctors when necessary. The numbers (or should we say claims) are in and they show that many of you elected to change doctors in light of the CHI/Blue Cross split to retain the in-network discounts. This not only benefits the individual, but it goes a long way in reducing costs for all of us. This change alone is measurable -- and meaningful!

With that said, it is also recognized that our favorable experience is also due in part to an element of good luck. Surely this too cannot go on forever; hence, the temporary nature of the reduction. The Board will review the rate once again later in the year to determine the rate for 2016; keeping in mind the need to maintain the financial integrity of the Fund. But for now, the Board wanted to share the Fund’s good fortune with its membership.

Please contact your union representative or this office if you have any further questions.

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