

# CONTRACTORS, LABORERS, TEAMSTERS & ENGINEERS

## HEALTH AND WELFARE FUND Summary of Material Modifications

February, 2012

To: Participants  
-- CLT&E Health & Welfare Fund

Fr: CLTE Fund Office

Re: Benefit Design Changes for 2012  
-- Health Care Reform

Late last year we wrote to you regarding some upcoming changes to your Health & Welfare Plan. These changes, mostly benefit reductions, were necessary due to the rising costs of medical care and the dip in contributions. This letter is to inform you of several additional changes for 2012 only this time the changes are benefit enhancements rather than reductions.

From time to time we've referenced health care reform, in the name of the Patient Protection and Affordable Care Act (PPACA). This Act, signed into law in 2010, will bring significant changes to the way we access and pay for healthcare in America. This far reaching law is still being developed, and challenged. In its current form, the law will not be fully implemented until 2018. In any case, the CLT&E Board of Trustees, along with their consultants, continue to monitor this law and its imposing mandates.

The following changes are being implemented to comply with this Act and related government measures and mandates.

- 1) **Preventative Benefits:** The dollar limits previously applied to certain preventive care benefits will be removed for services provided by an "in-network" provider. Preventative care benefits received through a "non-participating provider" will continue to have an annual limit of \$500.
- 2) **Chiropractic Care:** The daily maximum benefit \$50 is being removed as it applies to spinal manipulations/adjustments. Other limits may apply.
- 3) **Dependency definition:** The age for eligible dependents is now 26 regardless of residency, student status, marital status or other employment related coverage. (Previously those with employment related coverage were barred from eligibility.)
- 4) **Emergency Services – out of network:** Emergency care provided by an out-of-network provider will be eligible for "in-network" consideration.

- 5) **Hospice Care:** Hospice care will now be covered under the plan.
- 6) **Expanded Appeals Process:** Your rights to an appeal have been expanded to include an option to have an independent third party hear your appeal.
- 7) **Oral Surgery:** Oral surgery related to impacted wisdom teeth will be considered an eligible expense under the medical plan (previously it was excluded altogether). Please note that the expense will first be applied to the dental plan (the normal \$600 limit applies) and then to the medical plan. A deductible would apply, so be sure to look for an in-network provider.

Again, the Board continues to monitor the implications of this reform. Additional changes are already scheduled for 2013. We will keep you abreast of those and other developments as we go.

In addition to the items noted above, we do take this opportunity to remind you of the changes previously announced: If you have not done so already, you may enroll your young adult dependent child(ren) at this time by completing and returning the enclosed Enrollment Form.

Notable changes for 2012:

- The individual deductible for in-network expenses will go from \$200 to \$350,
- No family deductible (or limit) will apply (each individual must meet their own deductible),
- The individual Out-of-Pocket maximum will go from \$1,000 to \$2,500, and the family Out-of-Pocket maximum will go from \$2,000 to \$5,000 (all in-network expenses),
- The rate of reimbursement (co-insurance) will be reduced to 80% (in-network) as compared to 90% in 2011.

2012 Plan Highlights:

**Deductible:**

	<u>PPO</u>	<u>Non-PPO</u>
Individual	\$350	\$1,000
Family	None	None

**Out of Pocket Max:**

	<u>PPO</u>	<u>Non-PPO</u>
Individual	\$2,500 + ded	\$4,000 + ded
Family	\$5,000 + ded	\$8,000 + ded

**Co-Insurance:**

	<u>PPO</u>	<u>Non-PPO</u>
	80/20	60/40