
**IMPORTANT NOTICE ABOUT CHANGES TO THE 4TH DISTRICT IBEW
HEALTH FUND**
December, 2011

This Notice explains important changes that are being made to the 4th District IBEW Health Plan. The changes to the Plan described in this Notice will be effective on the date indicated. You are urged to carefully review this Notice and address any questions to the Benefit Office. This Notice should be kept with your benefit booklet.

INCREASE TO THE DOLLAR BANK MAXIMUM

Effective with the January 1, 2012 benefit month, all employer contributions received on your behalf will continue to be credited to your Dollar Bank, subject to a maximum accumulation of \$8,500. This is an increase of this maximum from the current amount of \$7,000. This maximum accumulation will continue to be applied after the determination of eligibility at any Eligibility Determination Date.

REDUCED BENEFIT PLAN SELF-PAY ELECTION OPTION

Effective January 1, 2012, a covered participant who has no balance in his/her Dollar Bank on an Eligibility Determination Date will be permitted to select the Flexible Choice benefit program in lieu of continuation of the benefits provided by this plan (Building Trades benefit plan), either through self-contribution or COBRA. In making this election the participant will be required to reject continuation of the Building Trades benefit plan in writing.

Once the Flexible Choice plan is selected:

1. Contributions received from employer(s) will be applied to your Dollar Bank and **will not** be available to reduce the self-contribution required for the Flexible Choice plan nor be used to allow reinstatement of the Building Trades benefit plan through self-contribution.
2. You will not be allowed to reinstate the coverage formerly available under the Building Trades benefit plan until such time as the balance in your Dollar Bank

equals the amount necessary to purchase coverage under the Building Trades benefit plan for one month (i.e., contributions received will continue to roll-forward until such time as the amount is sufficient to purchase a month's coverage).

The self-contribution amount payable by you for the Flexible Choice benefit program will be that required of participants in that Class FR. This amount will not include any allocation to your HRA account. (The 2011 monthly Class FR self-contribution amount is \$575.)

The maximum period of full self-contribution remains fifteen consecutive months. Following the expiration of this fifteen-month period, you will be permitted three additional months of coverage under the COBRA continuation provisions.

Calendar year deductible and out-of-pocket amounts applied while covered under the Building Trades benefit plan will be credited to satisfy the calendar year deductible and out-of-pocket amounts of the Flexible Choice plan. Likewise, if you would re-qualify for the Building Trades benefit plan during a calendar year, amounts applied to the deductible and out-of-pocket maximum under the Flexible Choice plan would also apply to the Building Trades benefit plan.

Again, the Board invites you to address any questions you may have to the Benefit Office. Please see your Summary Plan Description, or visit our website at www.4thdistricthealthfund.com for more information about your benefits.

Sincerely,

Board of Trustees