

# UPPER PENINSULA PLUMBERS' & PIPEFITTERS' FRINGE BENEFIT FUNDS

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UP Plumbers' & Pipefitters' Health & Welfare Fund  
UP Plumbers' & Pipefitters' Pension Fund  
UP Plumbers' & Pipefitters' Money Purchase Fund  
UP Plumbers' & Pipefitters' Vacation Fund  
UP Plumbers' & Pipefitters' Educational Fund

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December 2002

## IMPORTANT NOTICE

TO: ALL ELIGIBLE PARTICIPANTS ELIGIBLE IN THE  
UPPER PENINSULA PLUMBERS' & PIPEFITTERS' HEALTH AND WELFARE FUND

Dear Participant:

The Board of Trustees of the Upper Peninsula Plumbers' and Pipefitters' Health and Welfare Fund has spent a substantial amount of time over the last six months evaluating the impact that the skyrocketing health care costs has had on the Fund. As you may know, over the last few years health care costs have increased in excess of 20% per year. This has had a tremendous impact on the financial stability of you Health and Welfare Fund. The Board of Trustees has struggled to maintain coverage's in spite of these escalating costs. However, in order to maintain the financial integrity of the Fund, the Board of Trustees has found it necessary to implement several benefit/eligibility modifications. The Board of Trustees has met several times to review and analyze different modifications to the Plan and benefit levels. After lengthy review and analysis, the Board of Trustees has elected to implement the following benefit/eligibility modifications effective **January 1, 2003**:

### **Prescription Drug Co-Payment**

The prescription drug co-payment will be modified to provide for fifty-percent (50%) co-payment with a minimum of ten dollars (\$10) and a maximum of one hundred dollars (\$100) for each prescription purchased.

### **In-Network Deductibles**

The in-network deductibles will be modified to provide for a five hundred dollar (\$500) per person, and one thousand dollars (\$1,000) per family, per calendar deductible.

(over)

### **In-Network Co-Payment for All Covered Services**

The in-network co-payment for all covered services will be modified to provide for eighty percent (80%) reimbursement for all covered services. Exceptions are services with a fixed dollar co-payments such as doctors office visits, covered emergency room visits, chiropractic spinal manipulations, pre and post-natal care visits, allergy testing and therapy, injections, hospice care benefits and preventive benefits.

### **Dental and Vision Benefits**

All Dental and Vision Benefits will be eliminated.

### **Eligibility Modification**

The eligibility will be modified to provide that the maximum months of credited eligibility that can be earned will be three (3) months.

### **Maximum Self-Payments**

The maximum number of self-payments permitted under the Plan will be limited to six (6) consecutive self-payments if you are not actively seeking work through the Local Union (this does not include the retirees).

### **Coverage for Dependents Between the Ages of 19 and 25**

Participants who are currently maintaining or elect to maintain coverage in the future for eligible dependents between the ages of 19 and 25 will be required to pay for that coverage. The cost of coverage will be based upon eighty percent (80%) of the BCBSM illustrative rates. Rates will be available within the next few days.

If you have any questions regarding the above, please do not hesitate to contact the Fund Office.

Sincerely,

Upper Peninsula Plumbers' & Pipefitters'  
Health and Welfare Fund

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