

UPPER PENINSULA PLUMBERS' & PIPEFITTERS' FRINGE BENEFIT FUNDS

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

August 2006

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

RE: Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund – Self-Payment Rates

Dear Participant:

The Board of Trustees of the Upper Peninsula Plumbers' and Pipefitters' Health and Welfare Fund has again reviewed the self-payment rates and found that the income received from the self-payments is not sufficient to support the cost of benefits. As you may know, over the past few years, health care costs have increased significantly. In order to maintain the financial integrity of the Fund, the Board of Trustees has found it necessary to increase the self-payment rates as listed below:

Self-Payment Category	BCBSM Illustrative Rate	Rate effective 9/1/06
Active , Member only	340.34	289.00
Active, Member & Family	899.43	765.00
Active Participant & One Dependent	757.44	644.00
Disabled, Member Only	340.34	289.00
Disabled Member & Family	757.44	644.00
Regular Retiree only (over age 62)	340.34	289.00
Regular Retiree & 1 dependent (Member over age 62)	757.44	644.00
Regular Retiree & family (Member over age 62)	899.43	765.00
Early Retiree Only (under age 62)	340.34	340.34
Early Retiree & One Dependent (under age 62)	757.44	757.44
Early Retiree & Family (under age 62)	899.43	899.43
Full Time College Student	170.19	145.00
Widow Only	340.34	289.00
Widow and Dependents	757.44	644.00

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Self-Payment Category	BCBSM Illustrative Rate	Rate effective 9/1/06
Supplement to Medicare, Member Only	352.81	290.00
Supplement to Medicare, Member and Spouse	705.80	600.00
Supplement to Medicare, Member - Regular Coverage for Dependents	750.76	638.00
Supplement to Medicare - Widow	352.81	290.00
Spouse of Retiree with Medicare	352.81	290.00
COBRA Continuation Coverage	899.43	899.43

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

Sincerely,

Upper Peninsula Plumbers' and Pipefitters'
Health & Welfare Fund
BOARD OF TRUSTEES