

October 29, 2010

VERY IMPORTANT NOTICE

TO: All Plan A PPO Participants
FROM: Board of Trustees
RE: Summary of Material Modifications

With a focus on making available to all participants the highest quality of medical care expected to generate the best medical outcomes and saving lives at the most affordable cost, while at the same time making every effort to minimize the amount of future wage increases (example: \$.40/hr under the Inside Agreement as of 12/1/11) that may be deemed necessary to allocate to the Health & Welfare Trust, effective **January 1, 2011** the current co-payment of \$15 applicable to office visits when using a PPO physician in San Diego County will be change as follows:

1. For use of any Sharp Rees Stealy or Sharp Community Medical Group physician there will be a **\$10** co-payment applicable to the office visit charge with all other eligible expenses to be payable in accordance with the Schedule of Benefits for PPO Providers; or
2. For use of any other PPO physician in San Diego County there will be a **\$30** co-payment applicable to the office visit charge with all other eligible expenses to be payable in accordance with the Schedule of Benefits for PPO Providers.

Please note that the above distinction pertains only to physicians practicing within San Diego County (including zip codes ranging from 91901 to 92199), although any participant residing outside of San Diego County is welcome to access providers in San Diego County. **For all office visits outside San Diego County the co-payment will remain \$15.**

As a reminder, the Plan will pay 100% of a PPO physician's office visit charge over and above the co-payment without application of the calendar year deductible. It is highly recommended that only Blue Cross PPO service providers be utilized in order to avoid any surprises when the claim is paid and the Explanation of Benefits outlines how much the participant may owe of the billed charges. In fact, whenever being referred to another provider, or if surgery is being scheduled, it is important to inquire as to whether whomever is being referred or will be scheduled by the surgeon's office are Blue Cross PPO providers. If not, you should insist that ones who are be considered.

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To locate Sharp Rees Stealy and Sharp Community Medical Group physicians you may call 1-800-82-SHARP (1-800-827-4277) or visit their web site at www.sharp.com and look to the right under “FIND A DOCTOR”. There you may choose a type of specialist and under “Select Medical Group” you may use either Sharp Rees Stealy or Sharp Community Medical Group. Under “Select Insurance” scroll down past all of the Aetna plans to the third Anthem entry which is “Anthem Blue Cross Prudent Buyer Plan”. You may then enter a specific zip code to focus on a specific geographic area. A listing of all available physicians will then appear from which to choose from.

Please also keep in mind that when in need of urgent care it is highly recommended that hospital emergency rooms only be used for severe medical circumstances or if an urgent care facility isn't accessible at that time of day. Further, there are no facility fees charged when using Sharp Rees Stealy for urgent care.

The Board's goal is to provide the most comprehensive coverages the Plan can afford. Thus, we continue to seek effective cost containment programs that will deliver improved medical outcomes (disease management is one example) while also substantially reducing overall Plan funding costs. Recognizing that participants in the PPO Plan have the ultimate choice as to which service provider(s) they use. At the same time we understand that some of these programs may necessitate changes in service providers in order for participants to minimize their share of the cost.

We will be working on providing a sticker or attachment to your Identification Card that will outline this revised office visit co-payment structure.

If there are any questions relative to the above please contact your claims examiner at the Trust Office (x-703).

Thank you.