

April 8, 2014

IMPORTANT NOTICE

TO: All Plan A PPO Participants
FROM: Board of Trustees
RE: Summary of Material Modifications - Declining Spousal Coverage

Presently the PPO Plan provides that if a Covered Spouse or Domestic Partner was entitled to group medical-hospital benefits through their employer or another group affiliation, and that coverage would have been their primary source of coverage if it had been in effect at the time a claim was incurred, in the event the Covered Spouse or Domestic Partner voluntarily declined or waived such coverage that was available to them free of charge or if they receive any form of compensation in return for waiving such coverage, there will be no medical-hospital benefits coverage for that person under this Plan.

- a. This exclusion also applies to Covered Dependent Children if they would have been included under the Spouse's or Domestic Partner's medical-hospital benefits coverage on a primary basis under a coordination of benefits "Birthday" rules **at no additional cost to the Spouse or Domestic Partner**. In this instance the Plan will pay claims in a secondary position.

Please be advised that the Plan has been amended to replace "free of charge" with "**at a cost of \$100 per month or less**" to the employee Spouse or Domestic Partner. This means that if a Spouse or Domestic Partner of a Covered Employee declines or waives group medical-hospital coverage for which the cost to the Employee Spouse or Domestic Partner of the least expensive plan is \$100 or less per month, or if they receive any form of compensation in return for declining or waiving such coverage, they will not be eligible for medical-hospital benefits under this Plan. However, whenever this exclusion for medical coverage is applied the Covered Person will continue to be eligible for applicable dental, vision, MAP and supplemental life insurance benefits.

IMPORTANT - This Amendment will become applicable to all Covered Spouses or Domestic Partners as of the effective date of their medical coverage election tied to their employer's next open-enrollment period for group medical-hospital coverage occurring on or after October 1, 2014. As examples:

1. If their employer's open-enrollment is conducted in November 2014 for coverage effective as of January 1, 2015 then this provision will become applicable as of January 1, 2015.
2. If their employer's open-enrollment is conducted in July 2014 for coverage on October 1, 2014 or later, then this new provision will become applicable with the next open-enrollment.

If there are any questions please contact your claims examiner at the Trust Office (x-702). Thank you.

SEE REVERSE SIDE FOR ESPAÑOL