CURRENTS

SAN DIEGO ELECTRICAL TRUSTS

Issue 59 June 2011

IMPORTANT ANNOUNCEMENT - WAIVER OF SPOUSE/DOMESTIC PARTNER GROUP MEDICAL BENEFITS AMENDMENT

Effective January 1, 2011 the Plan was amended to provide that in the event a Covered Spouse or Domestic Partner voluntarily declined or waived group medical coverage available to them through their employment or some other source of group coverage free of charge, or if they receive any form of compensation in return for waiving or declining said coverage, the Covered Spouse or Domestic Partner would have no medical coverage under the Plan. Further, this Amendment was to become applicable to all Covered Spouses or Domestic Partners as of the effective date of their group medical coverage election emanating from their employer's next open-enrollment period for group medical coverage occurring in November 2010 or later.

Due to considerable confusion as to the impact and application of this Plan Amendment the Board of Trustees has decided to **delay** its implementation. Therefore, the provisions will now become applicable to any Spouse or Domestic Partner who has waived or declined employer sponsored group health coverage that was either free or for which they receive any form of compensation for doing so if such a declination or waiver applies to a date of coverage related to **an open-enrollment conducted by the employer of the Spouse or Domestic Partner in or after August 2011.**

This action means that any spouse or Domestic Partner who was eligible for dependent coverage in this Plan as of December 31, 2010 will continue to be covered throughout 2011 at least until the coverage effective date applicable to an open-enrollment period conducted by their employer in or after August 2011.

If coverage of a covered Dependent Spouse or Domestic Partner under the San Diego Electrical Health & Welfare Trust was terminated earlier this year because they had, in fact, declined or waived employer sponsored group health coverage then said coverage will be reinstated retroactive to January 1, 2011. Any claims that were denied under the Amendment will be re-adjudicated in accordance with the Plan as soon as they can be identified. Anyone affected by this procedural change and/or who had claims submitted for services rendered on or after January 1, 2011 denied due to application of this Amendment, should contact the Trust Office.

IMPORTANT ANNOUNCEMENT - It is imperative that every dependent spouse or Domestic Partner understands that this Amendment will formally go into effect for them commencing with their employer's next open-enrollment conducted in August 2011 or later. Therefore, if they waive or decline group health insurance coverage through their employer that was available at no cost to them or for which they receive any form of compensation, their medical coverage in this Plan will terminate as of the effective date of coverage related to their employer's latest open-enrollment. For example, if the employer of a Covered Dependent Spouse or Domestic Partner conducts their next open-enrollment in September 2011, to be applicable to coverage effective January 1, 2012, and the Dependent Spouse or Domestic Partner declines or waives such coverage that would have been available to them free of cost, or for which they receive any form of compensation as a result of having done so, their group medical coverage under the San Diego Electrical Health & Welfare Plan will terminate as of January 1, 2012. Should there be any questions please contact the Trust Office (x-702).

RECEIVING INFORMATION FROM THE TRUST OFFICE

Correspondence is frequently distributed to participants through the Trust Office containing important information as to Plan language and/or administrative procedural changes that may have a direct bearing on a participant's or a dependent's coverage, eligibility or benefit payments under one of the Plans.

It cannot be emphasized enough that mailing this newsletter or specific announcements to the last known address on file with the Trust Office fulfills the Trust's legal responsibility for making such formal announcements and that it can only be the responsibility of the participants to ensure that the Trust Office is in possession of their current mailing address. Informing IBEW LU 569 of a change in mailing address will likely be reported to the Trust Office on a periodic basis but is not as effective as letting the Trust Office know at the same time in case any communication may be scheduled to be released before the information may be received through IBEW Local 569.

PLEASE be sure to read any and all communications coming from the Health &

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WHAT'S INSIDE

ADVERTISED MEDICAL TREATMENT PROGRAMS

In the last issue you were informed about the potential pitfalls of businesses offering medical treatment programs, in particular those for rapid weight-loss, which involve extensive surgical procedures that are being proclaimed to be covered by health insurance (PPO plans in particular).

As was explained, this is not always true as many times only a part of the billed services may be covered by insurance as many group health plans, such as the Plan A PPO Plan, follow very specific pre-authorization guidelines for when such surgical procedures will be covered and under what circumstances. In particular, a surgical procedure may be pre-authorized but the provider then has the patient undergo a substantial number of "pre-surgery" diagnostic tests and/or procedures that may not be medically necessary or considered part of the approved surgical procedure, thus they would not be covered by the group health insurance plan. Additional problems will occur if it is learned after both the procedure has been performed and the claims are filed with the Plan that the charges have been either denied (due to the absence of pre-authorization) or substantially reduced if the program's providers and facilities are not Blue Cross PPO providers. The following is a repeat of recent examples as to how expensive some of these weight-loss

programs may be are:

1. Total billed charges for a weight-loss surgical procedure exceeded $100,000 which included $40,000 in hospital and anesthesiologist charges for services rendered by PPO providers. The remaining charges included a surgeon's fee ($34,300), assistant surgeon's fee ($11,900), and a tremendous amount of diagnostic and laboratory work performed prior to and following the procedure that were rendered by non-PPO service providers. If payable under the Plan, all of the non-PPO provider charges will be paid at 60% of what the PPO maximum discounted allowance would have been and the participant would owe the balance of billed charges.
2. A 2-day hospital confinement at a PPO hospital for a weight-loss procedure was billed at $78,000 and the surgeon separately billed $14,500. If this procedure hadn't been approved in advance there would be no coverage and the participant could be responsible for all billed charges.

IMPORTANT - There are many advertisements for such medical programs, especially ones suggesting they are "Covered by PPO Insurance". Before committing to any advertised program for weight-loss or the treatment of any medical condition please contact your claims examiner to be sure what is being proposed is covered by the Plan. Remember, there is a significant difference in your out-of-pocket liability if non-PPO providers are used as noted in example 1 above. In other words, using only PPO providers is very important to protect against unexpected out of pocket exposure, but the Plan can only pay for eligible medical expenses which sometimes requires advance authorization to be performed. Therefore, please be very, very careful with respect to any services rendered before or after even an approved surgical procedure. It is recommended that the participant contact the Trust Office before any pre or post surgery services are rendered to prevent falling prey to the above pitfalls.

UPCOMING JOURNEYMAN CLASSES FOR SUMMER 2011

For more courses, descriptions and registration information please see the online schedule at www.positivelyelectric.org

Course	Days	Start	Sessions	Time	Room
AV Controls	Tue	07/19/2011	1	5-8pm	Room 108
AC/DC THEORY (Series, Parallel & Combination Circuits)	Fri	07/08/2011	1	4:30-8pm	Room 201
Audio Systems: Components	Tue	06/28/2011	1	5-8pm	Room 108
AutoCAD (Imperial County)	Mon/Wed	06/20/2011	10	5-8pm	Imperial County
Basic CPR and First Aid for Adults	Tue	06/21/2011	1	5-9pm	Room 201
Basic CPR and First Aid for Adults	Wed	06/22/2011	1	5-9pm	Room 201
Basic Rigging	Wed	06/22/2011	1	5-8pm	Room 101
Basics of Photovoltaics	Fri	09/09/2011	1	4:30pm-8pm	Room 201
Blueprint Reading	Tue	07/05/2011	7	5-8pm	Room 214
Code Calculations: Motors	Mon/Wed	07/11/2011	4	5-8pm	Room 214
Code Calculations: Box Fill	Fri	10/28/2011	1	4:30-8pm	Room 201
Code Calculations: Conductor Ampacity	Fri	09/23/2011	1	4:30-8pm	Room 201
Code Calculations: Voltage Drop	Fri	11/04/2011	1	4:30-8pm	Room 201
Code Calculations: Raceway Fill	Fri	10/14/2011	1	4:30-8pm	Room 201
Conduit Bending	Fri	06/24/2011	1	4:30-8pm	Room 201
Confined Space Entry	Fri	07/22/2011	1	4:30-8pm	Room 201
Electrical Review	Mon/Wed	07/18/2011	10	5-8pm	Room 206
Meter Use & Safety	Fri	08/12/2011	1	4:30-8pm	Room 201
OSHA 10	Mon	07/11/2011	4	5-8pm	Room 201
OSHA 30	Tue/Thu	07/05/2011	10	5-8:30pm	Room 201
Refresher For Basic CPR and First Aid For Adult	Tue	06/28/2011	1	5-7:30pm	Room 201
Refresher For Basic CPR and First Aid For Adult	Wed	06/29/2011	1	5-7:30pm	Room 201
Refresher For Basic CPR and First Aid For Adult	Thu	06/30/2011	1	5-7:30pm	Room 201
Residential AV	Tue	07/12/2011	1	5-8pm	Room 108
RF/CATV Distribution	Tue	07/26/2011	1	5-8pm	Room 108
Soldering, Wire Types and Connections	Tue	06/21/2011	1	5-8pm	Room 108
Video Systems: Components	Tue	07/05/2011	1	5-8pm	Room 108

Three easy ways to register: 1.**On-line** at www.positivelyelectric.org

2.**By telephone.** Dial (858) 569-6633, ext. 156 or ext. 301 (Spanish). 3.**Walk-in**; drop by our office and complete a registration form.

DEPENDENT ELIGIBILITY VERIFICATION AUDITS TO COMMENCE

(EXCERPTS IN THIS ARTICLE ARE REPEATED FROM THE 8/10 "CURRENTS" EDITION)

Health care costs are the fastest growing cost component for employers who provide health care to their employees. The U.S. Government Accountability Office estimates that **3% -10%** of the **$1.7 trillion** spent on healthcare each year is fraudulent. This amounts to between **$51 billion** to **$170 billion** that clearly should not have been spent and contributes greatly to the fact according to a 2008 Health Care Cost Survey conducted by Towers Perrin the total annual cost to employers per employee has increased by **43.2%** from **$6,384** for 2003 to **$9,144** for 2008, of which the Employee's share (through payroll deductions, deductibles, co-payments and co-insurance) increased by **60.7%** from **$1,284** to **$2,064**.

It is suggested that up to 70% of an employer's healthcare costs are driven by covered dependents and the U.S. Department of Labor has reported that 5% - 15% of dependents, which are routinely self-reported by employees, are actually ineligible. It has been further reported that the removal of each ineligible dependent saves $2,000 - $5,000 that will no longer have to be covered by both employers and employees who usually share in the overall cost of a healthcare plan.

Again, if the above statistics from fraud were applied to the Plan A PPO Plan, a range of 3% - 10% of overall medical claims costs alone represents $360,000 - $1,200,000 per year and for dental/vision claims it would be another $72,000 - $240,000. Out of approximately 3,000 covered dependents in the PPO Plan, if the Department of Labor's suggestion that 5% - 15% of enrolled dependents might be ineligible were correct, that would mean anywhere from 150 - 450 dependents would be covered that should not be and contribute to the need for more and more contributions from the membership and contractors to maintain high quality Plan A benefits. If just 5% are ineligible, and a cost of $2,000 per dependent is accurate, the savings would be $300,000. At a cost of $5,000 per ineligible dependent the savings would be $750,000.

In light of the above potential fiscal impact a dependent verification audit program will commence in June or July 2011. This process has been delegated to an independent contractor (Eligibility Verification, Inc. of San Diego, CA) which is an expert in the audit process.

The Board of Trustees thanks you in advance for your cooperation in its effort to ensure that only eligible dependents are enrolled. Therefore, upon receiving correspondence from EVI, please cooperate by responding on a timely basis.

HEALTH INFORMATION SOURCES

Caremark - www.Caremark.com; Specialty medications - CVS/Caremark at 1-800-237-2767;

"NurseLine"- 24/7 access to Registered Nurses at 800-250-6181 or http://healthresources.caremark.com/topic/specialty;

And for researching doctors and hospitals: www.healthgrades.com, www.leapfroggroup.org/, www.Calhospitalcompare.org or www.hospitalcompare.hhs.gov;

The California Health Care Foundation supports www.CalHospitalCompare.org which combines ratings for quality of care, patient safety and patient experience in an effort to help consumers make informed choices;

http://www.npdb-hipdb.hrsa.gov/ - National Practitioner Data Bank/ Health care Integrity and Protection Data Bank may be used to verify information on a health care provider; and

http://www.medbd.ca.gov/lookup.html - Medical Board of California for physician licensing.

SEEKING OPTIMAL MEDICAL OUTCOMES AND "CENTERS OF EXCELLENCE"

Two new programs are in the process of being finalized to become available to Plan A participants, both PPO and in some cases Kaiser, as of August 1, 2011 for which a more formal announcement will be forthcoming.

In a period of time where the cost of health care continues to escalate at levels well above the overall cost of living, which are driven by the extraordinary cost of medical services and/or prescription medications that may not be appropriate or effective, there is a growing need for participants to access a source of highly regarded guidance intended to provide you with the ability to seek independent validation of a significant diagnosis or plan of treatment.

This particular program is intended to achieve optimal medical outcomes, save lives and control overall costs

Once a confirmed diagnosis and plan of treatment have been established, routinely with participation by the participant's physician, depending on the nature of the diagnosis and/or severity of the corresponding plan of treatment/medical procedure it may also become possible to utilize the second program to seek independent assistance with identifying which health care facilities in the United States are considered to be a true "Center of Excellence" for that particular condition or procedure as well as an offer to provide ongoing oversight and assistance with all facets of utilizing any of these facilities.

Both of these programs are expected to assist participants who are interested in accessing this type of support and guidance. The importance of **"getting it right"** as soon as possible and having access to facilities considered to be specialized **"Centers of Excellence"** can't be stressed enough from the standpoint of the participant's overall well being as the impact of enduring extreme and/or difficult treatment, sometimes involving high powered medications or specialty drug therapies with heavy side effects, can be devastating if it turns out the patient was not being treated for the proper diagnosis and/or their plan of treatment was not their best opportunity for achieving an optimal medical outcome.

SAN DIEGO ELECTRICAL INDUSTRY TRUSTS

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Continued from cover— THE TRUST OFFICE

Welfare, Pension and Drug Testing Trusts as it is the responsibility of Plan participants to review and become familiar with all such changes and/or requirements which may become required under any or all of the Plans. However, any time there may be a question as to the application, meaning or content of any communication pertaining to the Trusts the matter should be referred to the Trust Office as a participant advising that a notice was not received, read or understood will not prevent the provisions of a Plan Amendment or procedural modification from being applicable to them or a family member as announced.

NEW HEALTH & WELFARE TRUST ID CARDS

All Plan A Participants should be receiving new Identification Cards within the very near future that will replace the current ID card which is the six-sided white paper card with blue ink. This is different from the hard plastic Prescription Drug ID card all Plan A PPO participants should have in their possession and should be retained.

As a reminder, the reason our ID cards are being changed is that there will be a slight modification to the current claims adjudication process as follows:

1. The new card will direct service providers to file their claims directly with Blue Cross (electronically if possible) instead of directly to the Trust Office; and
2. Payments to medical service providers will start to be issued by Blue Cross. However, the Explanation of Benefits forms sent to participants to advise as to what charges were received and how they were paid will still come from the Trust Office.

This transition has been completed due to the availability of additional discounts applicable to hospital charges which will save both the participants and Trust a substantial amount of money.

RELI STUDENTS PULL, TRIM, AND TEST DATA CABLES FOR A NEW COMPUTER ROOM AT THE SHEETEMATAL WORKERS TRAINING CENTER.

After taking classes in structured cabling systems from Tim Moylan, the Sound and Communications Coordinator for the San Diego electrical apprenticeship program, eight high school students from the Renewable Energy Leadership Institute (R.E.L.I.) put their knowledge to work. They installed eighteen local area network cables for a computer lab at the training center of the Sheet Metal Workers International Association (SMWIA) and Sheet Metal and Air Conditioning Contractors' National Association (SMACNA). These students installed jacks and faceplates in the lab and terminated the cables on a twenty-four port patch panel in the storeroom that doubles as their data room. Sheet metal apprentices and journeymen will now have the ability to use this new network to train on building information modeling (BIM) software used throughout the construction industry. This project is an example of the close relationship between our training centers and exemplifies our cooperative effort to attract bright, energetic high school students to our trades.