May 2003

TO: ALL ELIGIBLE PARTICIPANTS OF THE MICHIGAN LABORERS’ HEALTH CARE FUND

RE: BENEFIT MODIFICATIONS

Dear Participant:

As you know, we constantly review the Fund benefits as well as the contribution and self-payment rates. Following our review and discussion, we’ve made the following necessary benefit and/or eligibility changes:

PRESCRIPTION DRUG PROGRAM

- Prescription Drug Card

**EFFECTIVE JUNE 1, 2003,** the prescription drug coverage will now include a prescription drug card. As a result, you no longer need to pay for a prescription drug first and then submit a receipt for reimbursement. Instead, you may simply submit your current Blue Cross Blue Shield of Michigan participant identification card at your pharmacy. Of course, even with the new prescription drug coverage, you must pay the applicable co-payment at the pharmacy when you purchase your prescription drugs.

**But, Participants who make self-payments and have not remitted the current months self-payment** must still pay for their prescription(s) at the pharmacy and submit a receipt for reimbursement. Stated another way, if you are making self-payments but have failed to make the current self-payment, the prescription drug card will not be effective. Rather, you must pay for your prescription(s) at the time you purchase it and seek a reimbursement later.

A different reimbursement form will be required for reimbursement as of June 1, 2003 incurred claims. Your local union office will have a supply of these forms or you can call the BCBSM customer service number (1-800-252-1900).

- New Co-Payment Rates

The prescription drug program will now require a ten dollar ($10) co-payment for Generic drugs and a twenty dollar ($20) co-payment for Brand name drugs. Participants can continue to utilize their current BCBSM participant identification card. For certain maintenance drugs, you may receive up to a 90-day supply for one co-payment.
Note that prescription drug co-payments will not be applied toward the maximum out-of-pocket expense for medical claims.

OUT-OF-POCKET MAXIMUM

EFFECTIVE JANUARY 1, 2004, the annual maximum out of pocket expense per family will be one thousand two hundred dollars ($1,200). (Before, this expense was eight hundred dollars ($800) per family).

INITIAL ELIGIBILITY PROVISIONS

EFFECTIVE WITH THE WORK MONTH OF APRIL 2003, the initial eligibility provisions will be changed. Under this change, a participant will become initially eligible on the first day of the second month following the month in which he/she is credited with at least 700 hours of contributions made on his/her behalf for work performed within a six (6) consecutive month period.

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

Sincerely,

BOARD OF TRUSTEES,
MICHIGAN LABORERS’ HEALTH CARE FUND