



Carpenters Southwest Administrative Corporation

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www.carpenterssw.org

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IMPORTANT ANNOUNCEMENT

TO ALL ACTIVE CARPENTERS ENROLLED IN THE FEE-FOR-SERVICE MEDICAL PLAN:

This is to inform you of changes to the Fee-For-Service Medical Plan that will go into effect for claims incurred on or after January 1, 2011. Some of the changes are being made to comply with requirements under federal health care reform laws while others are being made to help curb escalating health care benefit costs. Please read this material carefully and keep it with your Summary Plan Description booklet.

To assist in your understanding of the changes, we have prepared the attached comparison of benefits, which shows the benefit levels before and after the January 1, 2011 changes. In summary, the following areas of the Fee-For-Service Medical Plan are modified:

- *Calendar Year Deductible*
- *Annual Stop Loss Limit*
- *Maximum Lifetime Benefit*
- *Percent of Allowable Charges Payable by the Plan*
- *Coverage for Preventive Care*
- *Coverage for Substance Abuse Treatment*
- *Prescription Drug Benefits*

In addition to the changes in benefit levels, the Trust's eligibility rules will change as of January 1, 2011, to extend eligibility for dependent children to age 26. In conjunction with this change, a child's marital and student status will no longer be considered in determining whether the child is an eligible dependent under the Plan. Whether the child is financially dependent upon you will also be irrelevant when determining dependent eligibility under the Plan. The Administrative Office will be conducting a special open enrollment period later this year to allow you to enroll your children that meet the new eligibility provisions. Additional specifics on the new eligibility requirements for dependent children will accompany the special open enrollment material that will be mailed to you.

Effective for claims made after 2010, in the event your internal claim and appeal is denied, you will be afforded an opportunity for an appeal before a qualified external appeals body.

If you have any questions concerning the information in this announcement, please direct them to the Administrative Office or Satellite Office in your area, where the staff will be happy to assist you. You may also visit the Plan's website at www.carpenterssw.org. Please keep this announcement with your Summary Plan Description booklet for future reference.

Sincerely,

THE BOARD OF TRUSTEES

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