

HEAT & FROST INSULATORS AND ALLIED WORKERS LOCAL 47 FRINGE BENEFIT FUNDS

Heat & Frost Insulators and Allied Workers Local 47 Welfare Fund
Heat & Frost Insulators and Allied Workers Local 47 Retirement Trust Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

December 2010

TO: ALL PARTICIPANTS OF THE HEAT & FROST INSULATORS AND
ALLIED WORKERS LOCAL 47 WELFARE FUND

RE: BENEFIT MODIFICATIONS –
Health Care Reform
Mental Health Parity
Retiree Opt Out Provisions
Continuing Eligibility Provisions

Dear Participant:

Health Care Reform

The Health Care and Education Affordability Reconciliation Act of 2010 requires the Fund to modify some of the Fund benefits effective January 1, 2011. On December 8, 2010 you received notification regarding the extension of Dependent coverage up to age 26. Effective January 1, 2011 the Fund will also remove the five million dollar (\$5,000,000) per person lifetime maximum.

Mental Health and Substance Abuse Benefits

The **Mental Health Parity and Addiction Equity Act** requires that treatment limitations applicable to mental health or substance abuse benefits can be no more restrictive than limitations applied to all other medical/surgical benefits. Therefore, effective January 1, 2011 the number of visits restriction and the in-patient day limitation will be eliminated. In addition, the annual and lifetime benefit limitations will also be eliminated.

Retiree Opt Out Provisions

The Retiree Opt Out-Provision has been modified to extend availability to Retirees with access to alternative insurance coverage. Previously, a Retiree was allowed to opt out if current health coverage through a spouse was in effect. This option has been extended to Retirees with direct group health care coverage, in addition coverage through a spouse. Retirees can opt out of coverage under this Plan with a one-time opportunity to reinstate coverage at a later date if the alternative coverage is lost through no fault of the Retiree or his/her spouse.

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Continuing Eligibility Provisions

The Plan currently stipulates that if the participant is not eligible by employer contributions for more than twelve (12) consecutive months they must repeat the initial eligibility provisions (520 hours within 6 months). The Plan has been modified to provide that if the participant is maintaining eligibility through active participant self-payments, COBRA payments or Minimum Coverage self-payments the participant will **not** be required to re-satisfy the initial eligibility provision. Coverage will be reinstated on the first day of the second month following the month in which the Employee has been credited with at least one hundred thirty (130) hours of contributions.

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

Sincerely,

HEAT & FROST INSULATORS AND ALLIED WORKERS
LOCAL 47 WELFARE FUND
BOARD OF TRUSTEES

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