



Michigan Electrical Employees' Health Plan
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IMPORTANT INFORMATION ABOUT YOUR BENEFITS

To All Participants of the Michigan Electrical Employees' Health Plan:

This notice contains information about changes to the benefits provided by your Plan. Please read this notice and keep it with your Summary Plan Description booklet (SPD) for future reference.

New BCBSM I.D. Cards for Non-Medicare-Eligible Participants

By February 1, 2008 you will be receiving new Blue Cross Blue Shield of Michigan (BCBSM) I.D. cards in the mail. You should begin using these cards when you or your dependents need medical care beginning February 1, 2008. Your new I.D. card will have an alpha prefix of "MJJ" instead of "XYP," which identifies you as a member of the Michigan Electrical Employees' Health Plan. Your new ID card does not alter in any way how your health care provider submits claims for you or your family.

Your medical benefits have not changed. If you have any questions about your new I.D. cards, or if you do not receive your new cards by February 15, contact BCBSM at 1800-722-IBEW(4239).

Termination of Eligibility for Bargaining Unit Employees Engaged in Non-Covered Industry Employment

An additional rule concerning termination of Plan benefits, as described on pages 18-19 of your SPD, is added effective November 1, 2007. If you work for a non-contributing employer within the Plan's jurisdiction, or you continue to work for an employer that leaves the Plan and is no longer required to contribute, your eligibility and that of your dependents will terminate. As part of this termination of coverage, all of your rollback hours and Special Fund balance will be forfeited. You will not be entitled to make regular self-payments nor self-payments as an Early or Disabled Retiree, as described on pages 13-15 and 25-28 of your SPD, to continue your coverage (although COBRA coverage may be available if you lost coverage as a result of a COBRA qualifying event).

- If you work in covered employment for a non-contributing employer who operates within the jurisdiction of the Plan, your eligibility and that of your dependents will terminate on the last day of the work month that such employment began or is discovered, whichever is earlier.
- If you continue to work for an employer who is no longer required to contribute to the Plan under the terms of a written agreement or under the National Labor Relations Act during a period of bargaining, your eligibility and that of your dependents will terminate on the last day of the work month for which the employer was required to contribute to the Plan.

If your eligibility terminates under this rule, but you return to covered employment within 12 months of the date of termination, your benefits, including your rollback hours and Special Fund balance, will be reinstated on the first day of the calendar month following the month in which the Plan receives contributions on

your behalf for at least 130 work hours from a contributing employer for a one-calendar-month period. For purposes of this rule, "covered employment" includes any work in a position for which contributions are paid to the Plan within the Plan's jurisdiction on your behalf.

Opt Out for Spouses Covered Under High-Deductible Plans

Effective October 1, 2007, if your spouse is covered under a high-deductible health plan offered in conjunction with Health Savings Account (HSA) of his or her employer, your spouse will have the option of opting out of coverage under the Michigan Electrical Employees' Health Plan (the "Plan") and its Special Fund.

In order to opt out of coverage under this Plan, your spouse must provide proof of employer-sponsored HSA coverage to the Plan Office. Your spouse must also sign a Spousal Coverage Opt-Out Form acknowledging that he or she is opting out of coverage under this Plan and its Special Fund. When your spouse opts out of Plan coverage, your spouse cannot again reinstate coverage unless he or she is no longer covered under the employer's HSA plan. Your spouse's coverage under this Plan will terminate at the end of the last day of the month during which a completed and signed opt-out election form is received by the Plan Office. Your spouse's election to opt out of Plan coverage automatically renews each year until your spouse reinstates Plan coverage under Plan terms. Your spouse's coverage under this Plan will not be reinstated unless and until your spouse's employer-sponsored HSA coverage has terminated.

A spouse who has opted out of this Plan's coverage may later reinstate spousal coverage by submitting proof that (1) coverage under the HSA plan of his or her employer has terminated and (2) he/she continues to qualify as a Dependent eligible for Plan coverage.

Once your spouse has filed the Spousal Coverage Opt-In Form and appropriate documentation for reinstatement, spousal coverage under this Plan will be effective on the first day of the month following the date proof of coverage and proof of termination under the HSA plan are provided to the Plan Office. Your spouse will not be covered under the Plan for any health care expenses or use of your Special Fund Account prior to the reinstatement effective date.

If your spouse opts out of coverage under the Plan, you will no longer be able to file a claim for reimbursement through your Special Fund for expenses incurred on behalf of your spouse. Upon reinstatement of coverage under the Plan, coverage of your spouse under the Special Fund will be reinstated.

If your spouse opts out of Plan coverage, the Plan will still cover any dependent children who meet the definition of a dependent as described in the notice mailed to you in June of this year (SMM 2007-4).

If you are making self-payments for Plan coverage, the amount of your self-payment will not be reduced if your spouse has opted out of Plan coverage.

Call the Plan Office at the phone number shown on the front page with any questions about these Plan changes or to request a Spousal Coverage Opt-In or Opt-Out Form.