

August 2017

TO: All Participants of the Laborers' Metropolitan Detroit Health Care Fund (Fund)

RE: Summary of Material Modifications (SMM) –  
*Surviving Spouses' New Self Payment Rates -- Effective January 1, 2018*

Dear Participant:

***THIS IS AN IMPORTANT NOTICE ABOUT JANUARY 1, 2018 CHANGES IN YOUR FUND BENEFITS.***

***SPECIFICALLY, THIS SMM SUMMARIZES CHANGES IN THE FUND'S SELF-PAYMENT RATES FOR SURVIVING SPOUSES. PLEASE REVIEW IT CAREFULLY.***

**Q1. Who's Affected by the Fund's January 1, 2018 Self-Payment Rate Changes?**

A1. All *Surviving Spouses* who receive Fund health care coverage.

**Q2. When Are These Self-Payment Rate Changes Effective?**

A2. January 1, 2018.

**Q3. What are the Self-Payment Rate Changes?**

A3. Listed below are the current *Surviving Spouses'* Self-Payment rates and the rate changes that are ***effective January 1, 2018.***

***1. Surviving Spouses – Medicare Eligible***

The *current* Self-Payment rates for *Surviving Spouses* who are Medicare-eligible will change as listed below. *Use your current monthly rate and your deceased spouse's Years of Service with the Fund to identify your new monthly Self-Payment rate.*

<b>Your Current Monthly Rate</b>	<b>Years of Service Participant Had as a Laborer</b>	<b>New Monthly Rate (effective January 1, 2018)</b>
<b>\$350.00*</b>	30 or more years of service	<b>\$415.00</b>
	20 to 29 years of service	<b>\$433.00</b>
	Less than 20 years of service	<b>\$471.00</b>

\* This is the current single rate ***without*** dental and vision benefits.

<b>Your Current Monthly Rate \$404.00*</b>	<b>Years of Service Participant Had as a Laborer</b>	<b>New Monthly Rate (effective January 1, 2018)</b>
	30 or more years of service	<b>\$474.00</b>
	20 to 29 years of service	<b>\$496.00</b>
	Less than 20 years of service	<b>\$539.00</b>

\* This is the current single rate *with* dental and vision benefits.

<b>Your Current Monthly Rate \$753*</b>	<b>Years of Service Participant Had as a Laborer</b>	<b>New Monthly Rate (effective January 1, 2018)</b>
	30 or more years of service	<b>\$829.00</b>
	20 to 29 years of service	<b>\$867.00</b>
	Less than 20 years of service	<b>\$942.00</b>

\* This is the current family rate *without* dental and vision benefits.

<b>Your Current Monthly Rate \$806.00*</b>	<b>Years of Service Participant Had as a Laborer</b>	<b>New Monthly Rate (effective January 1, 2018)</b>
	30 or more years of service	<b>\$948.00</b>
	20 to 29 years of service	<b>\$991.00</b>
	Less than 20 years of service	<b>\$1,077.00</b>

\* This is the current family rate *with* dental and vision benefits.

## 2. *Surviving Spouses – Not Medicare Eligible*

The current Self-Payment rates for *Surviving Spouses* who are *not* Medicare-eligible will change as listed below. *Use your current monthly rate and your deceased spouse's Years of Service to identify your new monthly Self-Payment rate.*

<b>Your Current Monthly Rate \$407.00*</b>	<b>Years of Service Participant Had as a Laborer</b>	<b>New Monthly Rate (effective January 1, 2018)</b>
	30 or more years of service	<b>\$2,497.00</b>
	20 to 29 years of service	<b>\$2,610.00</b>
	Less than 20 years of service	<b>\$2,837.00</b>

\* This is the current single rate *without* dental and vision benefits.

<b>Your Current Monthly Rate \$461.00*</b>	<b>Years of Service Participant Had as a Laborer</b>	<b>New Monthly Rate (effective January 1, 2018)</b>
	30 or more years of service	<b>\$2,556.00</b>
	20 to 29 years of service	<b>\$2,672.00</b>
	Less than 20 years of service	<b>\$2,905.00</b>

\* This is the current single rate *with* dental and vision benefits.

<b>Your Current Monthly Rate \$760.00*</b>	<b>Years of Service Participant Had as a Laborer</b>	<b>New Monthly Rate (effective January 1, 2018)</b>
	30 or more years of service	<b>\$6,012.00</b>
	20 to 29 years of service	<b>\$6,285.00</b>
	Less than 20 years of service	<b>\$6,831.00</b>

\* This is the current family rate *without* dental and vision benefits.

<b>Your Current Monthly Rate \$814.00*</b>	<b>Years of Service Participant Had as a Laborer</b>	<b>New Monthly Rate (effective January 1, 2018)</b>
	30 or more years of service	<b>\$6,071.00</b>
	20 to 29 years of service	<b>\$6,347.00</b>
	Less than 20 years of service	<b>\$6,899.00</b>

\* This is the current family rate *with* dental and vision benefits.

**Q4. How Are These New Rates Calculated?**

A4. These Self-Payment rates are based on several factors, including health care utilization, the Years of Service of the deceased Laborer, and the cost of providing Fund coverage.

**Q5. How Do I Determine *Years of Service With the Fund*?**

A5. Contact the Fund Office at (800) 228-0048. The Fund Office will provide you with written confirmation of the Years of Service of your deceased spouse.

We fully understand the impact that any rate increase -- and, in particular these rates increases -- has on Fund participants and beneficiaries. But, the ever-rising cost of providing health and prescription benefits means that we must raise Self-Payment rates and make other changes to prudently manage the Plan.

If you have any questions, contact the Fund Office at (800) 228-0048.

Sincerely,

Board of Trustees of the  
Laborers' Metropolitan Detroit  
Health Care Fund