



Laborers' Metropolitan Detroit Health Care Fund

Local #1076 and #1191

6525 Centurion Drive • Lansing, MI 48917-9275

(517) 321-7502 • FAX (517) 321-7508

Toll Free in Michigan • (800) 228-0048

www.metrodetroitlaborers.org

SENT VIA EMAIL ONLY

November 27, 2018

**TO: ALL TRUSTEES OF THE LABORERS' METROPOLITAN DETROIT HEALTH CARE
FUND**

**RE: SUMMARY OF MATERIAL MODIFICATION (SMM) – NEW SELF-PAYMENT
RATES FOR JANUARY 2019**

Dear Trustees:

Attached is a copy of the Summary of Material Modification (SMM) regarding the New Self-Payment Rates for January 2019 on behalf of the Laborers' Metropolitan Detroit Health Care Fund. Please note that Legal Counsel has approved this SMM for distribution today to the Plan Participants.

If you have any questions, please feel free to contact me, or in my absence, Mirela Blajan at (517) 327-2168.

Sincerely,

James E. Schreiber
Administrative Manager

JES/lis

attachment

xc: Christopher Legghio
Bryan Stulz



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

RE: Summary of Material Modifications (SMM) – New Self-Payment Rates for January 1, 2019.

Dear Participant:

THIS IS AN IMPORTANT NOTICE ABOUT CHANGES IN YOUR FUND BENEFITS. SPECIFICALLY, THIS SMM SUMMARIZES CHANGES IN THE FUND'S SELF-PAYMENT RATES

SELF-PAYMENT RATE CHANGES

Q. Who's Affected by the Fund's Self-Payment Rate Changes?

A. All non-active participants, pre-Medicare eligible retirees (early retirees), disabled participants and Medicare eligible retirees.

Q. When Are These Self-Payment Rate Changes Effective?

A. January 1, 2019.

Q. What Are The Self-Payment Changes?

A. Listed below are the current Self-Payment rates and the rate changes that are *effective January 1, 2019*.

Q. How are these rates calculated?

A. The rates are based on several factors, including utilization, the participant's years of service as a Laborer and the cost of providing coverage.

1. Active Employees

- **Current Self-Payment Rates (Which are not being changed at this time)**

The current Self-Payment rates of \$517.38 per month for the 1st month through the 6th month Self-Payment, \$620.86 per month for the 7th through the 12th month Self-Payment and \$724.34 for the 13th through the 18th month Self-Payment (the last payment) will not be changed at this time.

2. Retired Employees

- **Early Retirees (Pre-Medicare Eligible Retirees)**

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On *January 1, 2019*, the current Self-Payment rate for early retirees will change as listed in the table below. Use your current monthly rate to identify your new Self-Payment rate.

Early Retiree (Single Coverage)

Current Monthly Rate	New Monthly Rate
\$525.94	\$574.44
\$566.40	\$618.63
\$606.86	\$662.81
\$647.31	\$707.00
\$687.77	\$751.19
\$728.23	\$795.38
\$809.14	\$883.75

Early Retiree (Family Coverage)

Current Monthly Rate	New Monthly Rate
\$788.91	\$861.66
\$849.60	\$927.94
\$910.28	\$994.22
\$809.14	\$883.75
\$970.97	\$1,060.50
\$1,031.65	\$1,126.78
\$1,092.34	\$1,193.06
\$1,213.71	\$1,325.63

As you know, these different early retiree Self-Payment rates are based on Years of Service and your retirement date.

3. Medicare Eligible Retirees

On *January 1, 2019*, the current Self-Payment rate for Medicare-eligible retirees will change as listed below. Use your current monthly rate to identify your new Self-Payment rate.

Current Monthly Rate	New Monthly Rate
\$335.00	\$355.00
\$550.00	\$590.00
\$783.00	\$843.00

4. Disabled Employees

On *January 1, 2019* the current Self-Payment Rates for Disabled participants will change as listed below. Use your current monthly rate to identify your new Self-Payment rate.

Current Monthly Rate	New Monthly Rate
\$335.00	\$355.00
\$350.00	\$370.00
\$550.00	\$590.00
\$783.00	\$843.00
\$818.00	\$878.00

5. Surviving Spouse

On January 1, 2019 the current Self-Payment Rates for Surviving Spouses' will change as listed below. Use your current monthly rate to identify your new Self-Payment rate.

- *Surviving Spouses – Not Medicare Eligible – Single Coverage*

Current Monthly Rate	New Monthly Rate
\$2,497.00*	\$2,685.40
\$2,610.00*	\$2,807.46
\$2,837.00*	\$3,051.59

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

- *Surviving Spouses – Not Medicare Eligible – Family Coverage*

Current Monthly Rate	New Monthly Rate
\$6,012.00*	\$6,473.43
\$6,285.00*	\$6,767.68
\$6,831.00*	\$7,356.17

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

- *Surviving Spouses – Not Medicare Eligible – Single Coverage*

Current Monthly Rate	New Monthly Rate
\$2,556.00*	\$2,754.93
\$2,672.00*	\$2,880.16
\$2,905.00*	\$3,130.60

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

- *Surviving Spouses – Not Medicare Eligible – Family Coverage*

Current Monthly Rate	New Monthly Rate
\$6,071.00*	\$6,542.96
\$6,347.00*	\$6,840.37
\$6,899.00*	\$7,435.18

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

- *Surviving Spouses – Medicare Eligible – Single Coverage*

Current Monthly Rate	New Monthly Rate
\$415.00*	\$451.78
\$433.00*	\$472.31
\$471.00*	\$513.38

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

- *Surviving Spouses – Medicare Eligible – Family Coverage*

Current Monthly Rate	New Monthly Rate
\$829.00*	\$903.55
\$867.00*	\$944.62
\$942.00*	\$1,026.76

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

- *Surviving Spouses – Medicare Eligible – Single Coverage*

Current Monthly Rate	New Monthly Rate
\$474.00*	\$521.31
\$496.00*	\$545.00
\$539.00*	\$592.39

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

- *Surviving Spouses – Medicare Eligible – Family Coverage*

Current Monthly Rate	New Monthly Rate
\$948.00*	\$1,042.61
\$991.00*	\$1,090.01
\$1,077.00*	\$1,184.79

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

6. COBRA

On *January 1, 2019* the current rates for Participants remitting COBRA payments will change as listed below. Use your current monthly rate to identify your new rate.

Current Monthly Rate	New Monthly Rate
\$811.02	\$862.91
\$893.28*	\$899.89

* This is the current rate *with* dental benefits.

We understand the effect of any increase in rates, starting January 1, 2019, due to the ongoing review of cost and continued prudent management of the Fund.

Sincerely,

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

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