

# Laborers' Metropolitan Detroit Health Care Fund

Local #1076 and #1191

Laborers'  
International  
Union of  
North America

# LiUNA!

*Feel the Power*

---

6525 Centurion Drive • Lansing, MI 48917-9275 • (517) 321-7502 • FAX (517) 321-7508  
Toll Free in Michigan • (800) 228-0048  
www.metrodetroitlaborers.org

November 2019

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

RE: Summary of Material Modifications (SMM) - New Self-Payment Rates - **Effective January 1, 2020**

Dear Participant:

***THIS IS AN IMPORTANT NOTICE ABOUT JANUARY 1, 2020 CHANGES IN YOUR FUND BENEFITS.***

***SPECIFICALLY, THIS SMM SUMMARIZES CHANGES IN THE FUND'S SELF-PAYMENT RATES.***

## **SELF-PAYMENT RATE CHANGES**

### **Q1. Who's Affected by the Fund's Self-Payment Rate Changes?**

A. Early Retirees, Medicare Eligible Retirees, Disabled Participants, Surviving Spouses and COBRA Participants.

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

A. January 1, 2020.

### **Q3. How Are These New Rates Calculated?**

These Self-Payment rates are based on several factors, including utilization, the Participant's Years of Service as a Laborer and the cost of providing Fund coverage.

### **Q4: How Do I Determine Years of Service with the Fund?**

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

## **1. Active Employees**

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** change.

## **2. Early Retirees (Not Medicare Eligible Retirees)**

On **January 1, 2020**, 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
\$574.44	\$577.45
\$618.63	\$621.87
\$662.81	\$666.29
\$707.00	\$710.70
\$751.19	\$755.12
\$795.38	\$799.54
\$883.75	\$888.38

### Early Retiree (Family Coverage)

Current Monthly Rate	New Monthly Rate
\$861.66	\$866.17
\$927.94	\$932.80
\$994.22	\$999.43
\$1,060.50	\$1,066.06
\$1,126.78	\$1,132.68
\$1,193.06	\$1,199.31
\$1,325.63	\$1,332.57

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, 2020**, 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
\$355.00	\$375.00
\$590.00	\$630.00
\$843.00	\$903.00

### 4. Disabled Participants

On **January 1, 2020** 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
\$355.00	\$375.00
\$370.00	\$390.00
\$590.00	\$630.00
\$843.00	\$903.00
\$878.00	\$938.00

## 5. Surviving Spouses

On **January 1, 2020** 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
\$2,685.40*	\$2,706.00
\$2,807.46*	\$2,829.00
\$3,051.59*	\$3,076.00

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

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

Current Monthly Rate	New Monthly Rate
\$6,473.43*	\$6,537.00
\$6,767.68*	\$6,834.00
\$7,356.17*	\$7,429.00

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

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

Current Monthly Rate	New Monthly Rate
\$2,754.93*	\$2,768.00
\$2,880.16*	\$2,913.00
\$3,130.60*	\$3,166.00

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

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

Current Monthly Rate	New Monthly Rate
\$6,542.96*	\$6,617.00
\$6,840.37*	\$6,917.00
\$7,435.18*	\$7,519.00

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

- *Surviving Spouses – Medicare Eligible – Single Coverage*

Current Monthly Rate	New Monthly Rate
\$451.78*	\$461.00
\$472.31*	\$482.00
\$513.38*	\$524.00

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

- *Surviving Spouses – Medicare Eligible – Family Coverage*

Current Monthly Rate	New Monthly Rate
\$903.55*	\$922.00
\$944.62*	\$964.00
\$1,026.76*	\$1,048.00

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

- *Surviving Spouses – Medicare Eligible – Single Coverage*

Current Monthly Rate	New Monthly Rate
\$521.31*	\$541.00
\$545.00*	\$565.00
\$592.39*	\$614.00

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

- *Surviving Spouses – Medicare Eligible – Family Coverage*

Current Monthly Rate	New Monthly Rate
\$1,042.61*	\$1,081.00
\$1,090.01*	\$1,131.00
\$1,184.79*	\$1,229.00

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

## 6. COBRA

On *January 1, 2020* 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
\$862.91	\$750.30
\$899.89*	\$813.31*

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

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.

Sincerely,

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