

OUTSTATE MICHIGAN TROWEL TRADES FRINGE BENEFIT FUNDS

Outstate Michigan Trowel Trades Health & Welfare Fund
Outstate Michigan Trowel Trades Pension Fund
O.P.C.M.I.A. Apprenticeship Fund

TIC INTERNATIONAL CORPORATION

December 2001

IMPORTANT NOTICE

TO: All Participants

RE: Summary of Material Modifications

Dear Participant:

The Board of Trustees of the Outstate Michigan Trowel Trades Health and Welfare Fund has spent a substantial amount of time over the last several months evaluating the skyrocketing costs of providing medical, hospital and prescription drug benefits. As you may know, over the last few years, such costs have increased in excess of twenty percent (20%) per year. This has had a tremendous impact on the financial stability of your Health and Welfare Fund. The Board of Trustees has struggled to maintain the current levels of coverage in spite of these escalating costs. Now, however, the Board of Trustees has found it necessary to implement several benefit modifications because of recent premium increases. These changes will take effect January 1, 2002. The major changes are as follows:

Prescription Drug Co-Payment

The prescription drug co-payment will be increased to \$15 for Generic Drugs and \$20 for Brand Name Drugs. The Mail Order prescription drug program will require the same co-payments of \$15 for Generic Drugs and \$20 for Brand Name Drugs for a 90 day supply of approved maintenance drugs.

Office Visit Co-Payment

The office visit co-payment will be increased to \$15.

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Out of Network Services

If you use the services of a physician who does not participate with the Community Blue PPO, your co-payment will be thirty percent (30%) for general services. If you use the services of a physician who does not participate with the Community Blue PPO for Mental Health and Substance Abuse benefits, services will be paid at one hundred percent (100%) of the **BCBSM approved amount**. You may be balance billed for the balance of the amount charged by the physician above the BCBSM approved amount.

Preventive Health Services

Preventive Health Services such as physical exams and well baby care will only be covered if a Community Blue PPO provider is used and the maximum payable for preventive health services will be \$500 per member per year.

Emergency Services

A \$50 co-payment will be applied to all hospital emergency room charges. However, that co-payment is waived if the patient is admitted to the hospital or is being treated for an accidental injury.

Private Duty Nursing

Your co-payment for Private Duty Nursing will be fifty percent (50%) of the BCBSM approved amount.

Please refer to the enclosed benefit comparison for more information on other changes which will be made in the benefits beginning January 1, 2002.

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

Sincerely,

Outstate Michigan Trowel Trades
Health and Welfare Fund
Board of Trustees