



WELFARE AND PENSION FUNDS

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December 30, 2013

IMPORTANT NOTICE – CHANGE TO YOUR HEALTH PLAN BENEFITS EFFECTIVE MARCH 1, 2014 CHANGES TO BASIC PART-TIME PLAN

To All Eligible Basic Part-Time Plan Participants:

The Trustees of the U.F.C.W. Local 1500 Welfare Fund (the "Fund") announce the following changes to your health plan ("the Plan"). The first changes noted below are effective January 1, 2014. The remaining changes are effective March 1, 2014. We are committed to keeping you informed and making you aware of benefit changes to the Plan, most of which are a result of the passage of the Patient Protection and Affordable Care Act (the "Affordable Care Act").

Effective January 1, 2014, the \$100 annual maximum on covered diagnostic lab & x-ray services and the \$ 2,500 annual maximum for prescription drugs are eliminated. There will be no annual maximum for these benefits provided by the Fund. Please note, however, that per below, these benefits will be eliminated entirely effective March 1, 2014.

Effective March 1, 2014, the Plan will no longer provide any health (medical) benefits to participants or their beneficiaries including, but not limited to: Hospital Income Benefit, Surgical Benefit, Diagnostic Laboratory and X-Ray Benefit and Prescription Drug Benefit.

The Plan will continue to provide the following benefits to participants and eligible beneficiaries: Life Insurance, Accidental Death & Dismemberment Insurance, Dental Benefits, Orthodontic Benefits and Optical (Vision) benefits.

If you elected COBRA continuation coverage prior to March 1, 2014 or if you experience a COBRA qualifying event prior to March 1, 2014 and elect COBRA continuation coverage, you will continue to receive COBRA continuation coverage until the earlier of (1) the end of the period you would have otherwise ceased to be eligible for continuation coverage or (2) you fail to pay the premium for COBRA continuation coverage when due. You must pay the full cost of COBRA continuation coverage plus a 2% administrative fee.



The Health Insurance Marketplace

Part-time employees will be able to purchase a health insurance plan from their state's Health Insurance Marketplace. The Marketplace was created by the Affordable Care Act. It is an organized way for private insurance companies to offer approved, standardized health plans to individuals without health insurance (and their dependents). You can compare plans based on price, benefits, and quality and then apply and enroll in your preferred plan. Based on your household income and family size, you may also be eligible for a federal subsidy to help you buy insurance coverage.

The Marketplace's open enrollment to obtain coverage runs through March 31, 2014. Contact your state's Marketplace for more details on available plans and how to enroll.

This notice is intended to serve as a Summary of Material Modifications ("SMM") for the U.F.C.W. Local 1500 Welfare Fund's Basic Part-Time Plan, as required by the Employee Retirement Income Security Act of 1974 (ERISA). It describes changes to information presented in your Summary Plan Description (SPD) booklet, Fund communications, and any previous SMMs. Please keep it with your SPD and other benefits materials for future reference.

If you have any questions regarding this notice, please contact the Fund Office at (800) 522-0456.

Sincerely,

The Board of Trustees

