

MICHIGAN CARPENTERS' FRINGE BENEFIT FUNDS

Michigan Carpenters' Health Care Fund
Michigan Carpenters' Pension Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

November 1, 2017

IMPORTANT NOTICE

RE: Michigan Carpenters' Health Care Fund (Fund) – Summary of Material Modifications to Benefits and Self-Payment Rates – Effective January 1, 2018

Dear Participants:

This is a Summary of the Material Modifications (SMM) we've made to your Fund benefits. These changes are **EFFECTIVE JANUARY 1, 2018**.

A. Changes to Your Dental Benefits.

Beginning on January 1, 2018, an annual deductible of fifty dollars (\$50) per person and one hundred dollars (\$100) for families, will be implemented for "Basic Services" and "Major Services" (*but not* for Diagnostic and Preventative Services). Please see the attached chart comparing current dental benefits, and the changes starting on January 1, 2018.

The Fund is also reducing the percentage of benefits it will pay for Basic Services and Major Services benefits. (Diagnostic and Preventative services will continue to be paid at one hundred percent (100%)). Starting on January 1, 2018 Basic Services will be paid at seventy percent (70%) and Major Services will be paid at fifty percent (50%).

The Fund's annual dental benefit limit of one thousand dollars (\$1,000) per person will continue to apply.

Please make certain you notify your dental provider of these changes in your benefits.

B. Changes to Your Dollar Bank.

Starting with the work month of October 2017 (January 2018 eligibility), the maximum dollar bank will be eight (8) months. Currently, the maximum dollar bank is eleven (11) months, which is equivalent to seven thousand six hundred twenty-three dollars (\$7,623).

But, if you have already reached the maximum dollar bank of eleven (11) months, you will retain those eleven (11) banked months *unless or until* you use them. Once used, your dollar bank can now *only* increase to the new maximum of eight (8) months.

C. Increased Self-Pay Rates.

1. *January 2018 Five Percent (5% Increase).*

Self-pay rates for all self-pay categories (except for non-Medicare eligible widows) will increase five percent (5%). If you pay by check, this change will be on your January 2018 self-pay notice.

If your self-payment is automatically deducted from your monthly Pension Benefit check, this change will be reflected on your January 2018 check. If your self-payment is automatically deducted from your checking or savings account, the deduction amount will automatically be changed.

2. *Additional Future Five Percent (5%) Increases.*

In addition to the January 2018 increase, self-pay rates will also increase by an additional five percent (5%), effective with the eligibility for the month of June 2018. Self-pay rates will increase another five percent (5%) for the eligibility month of June 2019.

D. *Short Hour or Dollar Self-Contributions.*

Short hour self-contributions will continue to be calculated based on the current hourly contribution rate.

For example, if you work one hundred (100) hours in a month, you'll have four hundred ninety-five dollars (\$495) in contributions remitted on your behalf. Then, you'll be billed one hundred and ninety-eight dollars (\$198) for the additional forty (40) hours required for eligibility. ***When the hourly contribution rate changes, the short hour self-contribution rate will also increase.***

E. *Physical Examination (Participants only).*

As a reminder, the Fund offers two benefit levels: an *Enhanced Plan* or a *Standard Plan*. You will receive benefits under the *Enhanced Plan* if you obtain your annual physical.

If you do not get your annual physical in 2017, you will only be eligible for the *Standard Plan* in 2018. The *Standard Plan's* deductibles, copayments, and coinsurance are higher than the *Enhanced Plans*.

You must submit proof of your annual physical examination prior to December 15, 2017.

If you're already in the *Enhanced Plan* (because you got a physical in 2017), you will stay on the *Enhanced Plan*.

If you have any questions, contact the Fund Office at (800) 273-5739.

Sincerely,
Board of Trustees of the
Michigan Carpenters' Health Care Fund