

OPERATING ENGINEERS TRUST FUNDS

I.U.O.E. LOCAL 12 HEALTH & WELFARE | PENSION | VACATION | TRAINING

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September 2010

IMPORTANT NOTICE

HEALTH NET HMO BENEFITS CHANGES EFFECTIVE OCTOBER 1, 2010

The Board of Trustees has found it necessary to make the following changes to the Health & Welfare Fund's Health Net HMO Plan in order to continue to provide you with a quality health plan while controlling the Fund's escalating cost of health care. This notice will advise you of certain material modifications that will be made to the Operating Engineers Health & Welfare Fund's Health Net HMO Plan. This information is very important to you and your dependents. Please take time to read it carefully.

Changes have been made to your copayments under the Health Net HMO Plan as follows:

- Hospital Admission (Inpatient) – \$250 per admission
- Surgical Facility Services – \$250 per occurrence
- Emergency Room Services – \$100 per occurrence
- Office Visit Services – \$25 per visit
- Ambulance Services - \$50 per occurrence
- Prescription Drugs
 - Generic Drug – \$10 per prescription
 - Brand Name Drug – \$30 per prescription
 - For a Non-Formulary Drug – 50% of the drug cost

RETIREE HEALTH & WELFARE PREMIUM

The monthly Health & Welfare Premium will increase 50% on October 1, 2010, for all Retirees and Widowed Participants. The Fund Office will continue to deduct your new monthly premium payment from your pension check except for participants whose pension checks are less than the new premium amount. In those cases, your pension check deduction will be cancelled and you will receive an invoice in the mail for the full amount of your new Health & Welfare premium.

For additional information you may call the Fund's Information Center at (626) 356-1004 or (888) 512-5279. You may also visit the Fund's website at www.oefunds.org for detailed information on these changes.