



UAW St. Joseph Retirees Health and Welfare Trust

PO Box 1708 ♦ Troy MI 48099-1708
Phone: (248) 641-4909 or Toll Free: (877) 941-4909

November 2011

****PLEASE READ CAREFULLY****

IMPORTANT CHANGES TO YOUR HEALTH AND WELFARE BENEFITS

Dear Participant:

As you know, your health and welfare benefits are funded and administered through a Voluntary Employee Beneficiary Association (VEBA) trust fund known as the UAW St. Joseph Retirees Health and Welfare Trust (Trust). In order to maintain the Trust's ability to provide benefits into the future, the Committee that administers the Trust must continually monitor and analyze changing factors such as health care inflation, utilization and investment returns. The Committee has concluded that in order to ensure the Trust's long-term viability, it is necessary to make changes in your benefits. These changes will go into effect beginning January 1, 2012.

Please carefully read the summary of changes below.

An informational meeting is being held for you to learn more about the changes and to answer your questions. Please refer to the **Section 3** of this letter, "**Questions Regarding the Changes**" for information on this meeting as well as telephone numbers that you can call for assistance.

Section 1. MEDICAL BENEFIT CHANGES

Overview of Health and Welfare Benefit Changes

An overview of the health and welfare benefit changes and the effective dates are indicated in the following table:

<u>Health Benefit</u>	<u>Change</u>	<u>Effective</u>
Medical Reimbursement Coverage	The reimbursement for out of pocket expenses greater than \$600 for medical and \$600 for prescriptions will be discontinued.	January 1, 2012
Medical Coverage	Effective January 1, 2012, there will be a deductible of \$250 per person. The deductible will be charged on all services except office visits. Once the deductible has been satisfied, the plan will pay 100% of approved expenses. A co-payment of \$10 will be charged on all office visits.	January 1, 2012

Section 2. Prescription Drug Changes

Prescription drug costs continue to increase as new drugs and specialty medications are introduced. For the Trust, prescription drugs represent one of our highest expenses. In order to continue to offer comprehensive prescription drug coverage, effective January 1, 2012 your prescription drug copayment will increase.

The Plan includes a nationwide retail pharmacy network and mail order pharmacy administered by the Medicare Plus Blue Group PFFS. You may go to any pharmacy to have your prescription filled; however, you may pay more if you do not use a pharmacy that participates in the network (preferred pharmacy). Pharmacies in the network can change at any time. To locate a network pharmacy, call Member Services at (866) 684-8216

We encourage you to work with your physician to review your current medications to see where generic alternatives may exist.

Formulary Drug Type	2012 Preferred Retail Pharmacy (30-day Supply)	2012 Preferred Mail Order Pharmacy (90-day Supply)	Change from 2011
Generic	\$10	\$25	\$5/\$12.50 Increase
Preferred Brand	\$20	\$50	No Increase
Non-Preferred Brand	\$50	\$125	No Increase

Generic Drugs - \$10 Retail/\$25 Mail Order

If you are currently taking a **generic** medication – there will be an increase in the cost of your medication for 2012. Your copay will increase by \$5 to \$10 for a 30-day retail supply and by \$12.50 to \$25 for a 90-day mail order supply.

Preferred Brand Drugs - \$20 Retail/\$50 Mail Order

If you are taking a **brand** medication that does not have a generic alternative or equivalent available it is called a **Preferred Brand** – there will be no increase in the cost of your medication for 2012. Copays will remain at \$20 for a 30 day retail supply and \$50 for a 90 day mail order supply.

Non -Preferred Brand Drugs - \$50 Retail/\$125 Mail Order

If you are taking a **brand** medication that has at least one generic alternative or equivalent option available, it is called a **Non-Preferred Brand** – there will be no increase in the cost of your medication for 2012. Copays will remain at \$50 for a 30 day retail supply and \$125 for a 90 day mail order supply.

To verify the formulary type of medication you are currently prescribed, please refer to the formulary drug list on the Blue Cross Blue Shield of Michigan website at: http://www.bcbsm.com/member/prescription_drugs/custom_formulary.shtml or by calling the Blue Cross Blue Shield customer service number in the Important Phone Number section on the next page.

Section 3. Questions Regarding the Changes?

An informational meeting will take place at the date, time and location listed below:

Date:	Location:
November 15, 2011, 9:30 a.m. - 12:00 p.m.	St. Joe Kickers Sport Club 2601 Hetler Drive St. Joseph, MI 49085

If you have any questions regarding the changes listed above, please contact the UAW St. Joseph Retirees Health and Welfare Trust Benefit Office at (877) 941-4909 Monday through Friday from 7:30 a.m. until 4:30 p.m., Eastern Standard Time.

Important Phone Numbers

If You Have a Question About.	You Should Contact.
Eligibility	BeneSys: (877) 941-4909 Hours: 7:30 a.m. - 4:30 p.m. ET
Medicare Medical and Prescription Drug Coverage	Medicare Advantage BlueCross BlueShield of MI: (866) 684-8216 TTY - (800) 579-0235
Locating a Provider that Participates in the Blue Cross Blue Shield PPO Network	Blue Cross Blue Shield: (800) 810-Blue (2583)

Final Note

The Committee recognizes that your retiree benefits provide important protection for you and your dependents. Accordingly, the Committee seeks to make available to eligible UAW retirees comprehensive and cost effective retiree benefit programs with the funds that it manages. From time to time, the Committee may change the programs that it makes available and reserves the right to do so and to terminate such programs as it determines in its sole discretion.

The Committee's goal is to maintain the highest possible level of benefits at a reasonable cost to the membership.

The Committee encourages you to attend an Informational Meeting on November 15, 2011 at the St. Joe Kickers Sport Club in order to understand your options, premium rates and enrollment procedures.

Sincerely,

The Committee of the UAW St. Joseph Retirees Health and Welfare Trust