

# Electrical Insurance Trustees

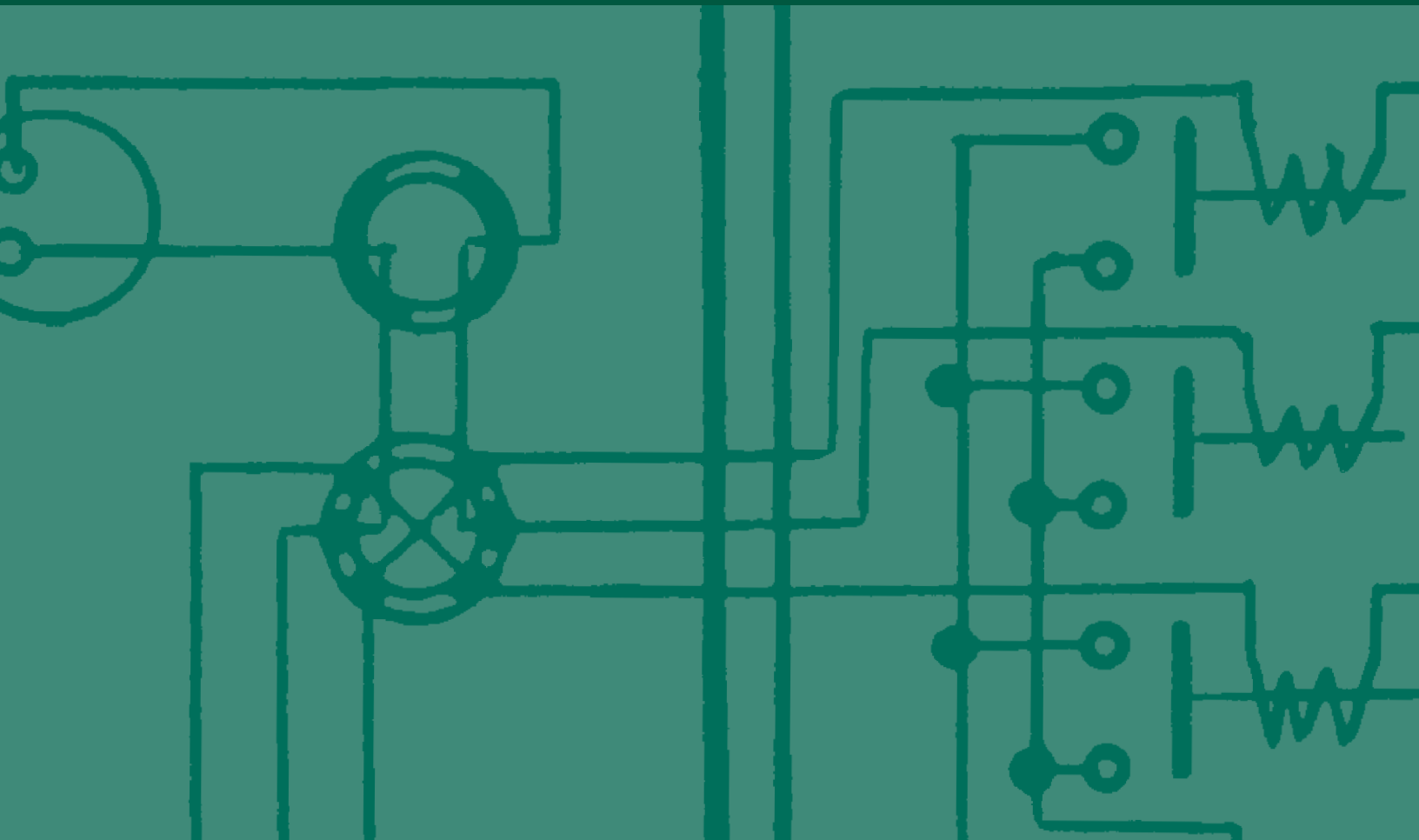
Energizing Your Health & Welfare Plan  
For Electrical Construction Workers



As Trustees of your Health & Welfare Plan, we value your service and are proud to offer coverage to help you and your family meet your health care needs. With the cost of health care continually increasing, this coverage is more important than ever.

At Electrical Insurance Trustees (EIT), not only do we want to provide you with benefits that meet your needs today, but we want to ensure that we maintain a financially viable Fund that is able to continue to provide these quality benefits to you in the future. While many Funds and employers are drastically reducing or eliminating benefits, we are pleased to announce several improvements as well as some important changes to your benefits.

All changes are designed to ensure that we provide the best possible benefits given available resources. The Trustees continually review the Plan and make changes as necessary to ensure that we continue to meet this goal.



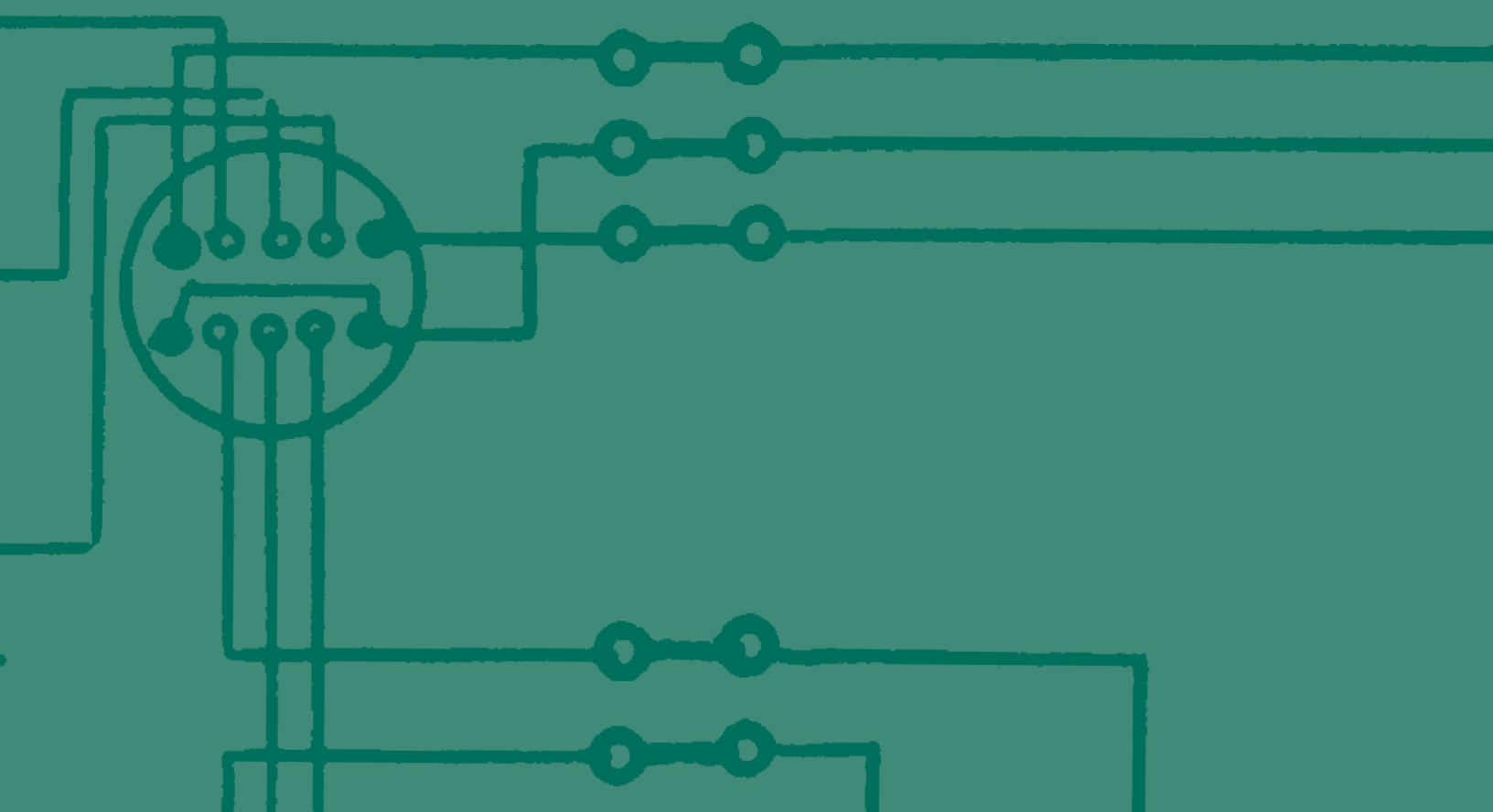
# Changes Effective January 1, 2005

Effective January 1, 2005, several important changes will be made to your EIT benefits.

- ▶ Medical benefit changes, including deductible, out-of-pocket maximum, and in-network behavioral health and substance abuse office visit copayment;
- ▶ Prescription drug copayment changes;
- ▶ Hearing aid benefit improvements;
- ▶ Vision benefit improvements; and
- ▶ Disability benefit improvements, for short-term and long-term benefits.

This brochure explains these changes and provides a checklist on page 11 designed to help you make the most of your benefits. Please review the enclosed information carefully and share it with your family.

If you have questions about these changes, please call the Fund Office at 312.782.5442.



## DID YOU KNOW?

To maintain benefits over the last few years, in spite of rising costs, more money contributed on your behalf has been allocated to pay for your total fringe benefits package. For example:

In 1991, 13% of your total wage and fringe benefit package was allocated to pay for health and welfare coverage.

In 2004, 15.5% of your total wage and fringe benefit package was allocated to pay for health and welfare coverage.

# Medical Plan Changes

Despite double-digit increases in health care costs over the last several years, we have been able to maintain our level of benefits. In fact, even though health care costs over the last few years have increased up to 15% a year, in addition to Plan improvements, your medical deductibles and out-of-pocket maximum have not increased since 1991. That is impressive considering that over the same period, average hourly wages have increased 60%, from \$21.65 to \$34.65.

To ensure the long-term financial health of the Fund, we must now make changes to your health and welfare coverage. Effective January 1, 2005, the Plan is changing the annual deductible amounts, annual out-of-pocket maximum, and office visit copayment for in-network behavioral health and substance abuse providers.

## IMPORTANT TERMS

<b>PLAN BENEFITS</b> (effective January 1, 2005)		
	<b>IN-NETWORK</b>	<b>OUT-OF-NETWORK</b>
<b>Lifetime Maximum</b>	\$2,000,000 per person	
<b>Annual Deductible</b>	\$200 per person* \$400 per family*	
<b>Annual Out-of-Pocket Maximum</b> (includes deductible)	\$2,000 per family*	
<b>Office Visit</b>	You pay a \$15 copayment, including outpatient behavioral health and substance abuse benefits, which are administered by CIGNA Behavioral Health*	You pay 20% of the negotiated rate plus any charges above the negotiated rate
<b>Coinsurance</b> (after the deductible)	You pay 10% of the negotiated rate	You pay 20% of the negotiated rate plus any charges above the negotiated rate

\* Plan change.

**Annual Deductible**—the amount you and/or your dependents combined must pay each calendar year for covered medical expenses before the Plan begins to pay benefits. **All participants, including those eligible for Medicare, must meet the annual deductible before the Plan begins to pay benefits.**

**Coinsurance**—the percentage of covered expenses you must pay after you have met your annual deductible.

For example, if you use an in-network provider, you pay 10% of the cost for most procedures and the Plan pays the remaining 90%.

**Out-Of-Pocket Maximum**—the most you pay out-of-pocket in a calendar year for eligible medical expenses. If your deductible plus coinsurance toward eligible expenses reaches the out-of-pocket maximum, the Plan pays 100% for most additional covered expenses for the rest of the calendar year (in-network office visit copayments and amounts charged by out-of-network providers above the negotiated rates do **not** count toward the out-of-pocket maximum).

*Generic versus brand name*—prescriptions can usually be filled with generic or brand name drugs. By law, both generic and brand name medications must meet the same standards for safety, purity, and effectiveness. Generic medications cost less than brand name drugs and are available for sale only after the brand name drug patent expires.

*Preferred versus non-preferred brand name*—often several types of medications can be used to treat the same condition. To ensure high quality care and to help manage costs, most prescription drug programs have a list of preferred drugs. Preferred drugs refer to brand name drugs on the Caremark Preferred Drug List. Generally, the list includes brand name medications that are either more effective than others in their class or as effective and less costly than similar medications.

When you or your dependent needs a prescription, you may want to ask your doctor whether a generic or preferred medication is available. Remember that your copayment is more for non-preferred brand medications.

# Prescription Drug Copayment Changes

The cost of prescription medications has risen due to a number of factors, including:

- ▶ Medications are more disease/disorder specific and effective, which means increased research and development costs.
- ▶ Prescription drug advertising has driven up costs by influencing many consumers to request brand name medications, when generic medications are just as effective and less costly.

To offset increased prescription drug costs, the amount you pay when filling a prescription will increase as of January 1st. The Plan will continue to offer network pharmacy benefits administered by AdvancePCS, a Caremark Company.

The chart below summarizes the Plan's prescription drug benefits as of January 1, 2005. Remember that if you do not use a participating Caremark pharmacy, your prescriptions are not covered under the Plan.

	<b>RETAIL COPAYMENT*</b> (up to a 34-day supply)	<b>MAIL ORDER COPAYMENT*</b> (up to a 90-day supply)
<b>Generic</b>	\$10	\$18
<b>Preferred Brand</b>	\$17	\$30
<b>Non-Preferred Brand</b>	\$27	\$40

\* Copayments are per prescription.

Contact Caremark Customer Care at 1.800.966.5772 for information about:

- ▶ Participating retail pharmacies;
- ▶ How to use the mail order program; and
- ▶ Covered prescription drugs.

# Hearing Aid Benefit Improvements

The Plan reimburses you for 80% of the expense of hearing exams and hearing aid instruments when you go to a legally qualified otologist or otolaryngologist. Effective January 1, 2005, the Plan is increasing the maximum allowance for hearing care instruments from 80% of \$500 per year to 80% of \$2,500 once in every 36-month period, beginning on and after January 1, 2005.

<b>PLAN HEARING AID BENEFITS</b> <small>(effective January 1, 2005)</small>	
<b>Lifetime Maximum</b>	No lifetime maximum
<b>Annual Deductible</b>	No annual deductible required
<b>Exam</b>	Plan pays up to \$75 per person
<b>Instrument</b>	Plan pays 80% on up to \$2,500 per person once in every 36-month period beginning after January 1, 2005 (maximum benefit \$2,000)*

\* Plan improvement.

# Vision Benefit Improvements

As we have seen with our BlueCross BlueShield physician and hospital PPO, we can realize tremendous savings by using providers that participate in a network because these providers have agreed to reduced rates, which means your benefits can go farther.

EIT has entered into an agreement with Vision Service Plan (VSP), a vision preferred provider organization (PPO). VSP's network was selected for our Plan because:

- ▶ Many of the providers our participants utilize the most are in the VSP network; and
- ▶ They offered the highest discounts enabling us to improve your benefits.

As illustrated in the chart on the next page, when you go to a VSP network provider, you pay a copayment per exam and per pair of glasses and the Plan will pay the balance of most covered vision benefits, up to any specified limits. For example, a pair of frames that cost \$125 will be covered in full after your \$20 copayment. If you get a pair of frames that costs more than \$125, you'll be responsible for the additional amount over \$125. However, remember that when you go to network providers, you receive your vision services and supplies at discounted prices, so a \$125 pair of frames at a VSP network provider might cost you \$140 somewhere else. In addition, when you go to a VSP network provider, the Plan pays for contact lenses up to specified limits.

	<b>CURRENT PLAN</b> (effective through December 31, 2004)	<b>NEW PLAN</b> (effective January 1, 2005)	
		<b>NETWORK PROVIDER</b>	<b>NON-NETWORK PROVIDER</b>
<b>Annual Deductible</b>	No deductible required	No deductible required	No deductible required
<b>Annual Maximum</b>	\$500 per person	Not applicable	Not applicable
<b>Exams</b>	Plan pays 80% on a maximum of \$625 per person	After a \$20 copayment per exam, Plan pays 100% on up to one exam per year*	After a \$20 copayment per exam, Plan reimburses up to \$45 on one exam per year
<b>Glasses</b> ► <b>Lenses</b> ► <b>Frames</b>	Plan pays 80% Plan pays 80% of \$125 (maximum benefit \$100)	After \$20 copayment per pair, Plan pays 100%* (frame costs in excess of \$125, while discounted, are your responsibility)	After a \$20 copayment per pair, Plan reimburses up to specified limits depending on the type of lens and frame.
<b>Contact Lenses</b>	Plan pays 80%	Member: Plan pays 100% of discounted prices up to \$200 per pair per year*  Dependent: Plan pays 100% of discounted prices up to \$200 per year*	Member: Plan reimburses up to \$200 per pair per year*  Dependent: Plan reimburses up to \$200 per year*
<b>Member Annual Limits</b>	Two sets of framed lenses or two sets of contact lenses or one of each	Two sets of framed lenses or two sets of contact lenses or one of each	Two sets of framed lenses or two sets of contact lenses or one of each
<b>Dependent Annual Limits</b>	One set of framed lenses or one set of contact lenses	One set of framed lenses or one set of contact lenses	One set of framed lenses or one set of contact lenses

\* Plan improvement.

## VSP Network Advantages

You and your covered dependents benefit when you use providers who participate in the VSP network (network providers) because:

- ▶ Network providers have agreed to accept pre-negotiated, discounted rates for their services. Since network providers charge discounted rates, you (and the Fund) save money when you use them.
- ▶ Network providers will file claims for you. When you go to a network provider, all you have to do is pay your \$20 copayment(s) (and any amount that exceeds specific maximums) and your provider will file a claim with VSP for reimbursement. There are no copayments for contact lenses.
- ▶ You receive discounted prices on all your vision care needs, including those that are not covered by your Plan, such as extra supplies and laser vision correction services.
- ▶ When you go to a non-network provider, you must pay for the services at the time you receive them and then file a claim with VSP. After any applicable copayments, the Plan will then reimburse you up to the scheduled amount. This amount will not be sufficient to pay for the entire cost of the eye examination or materials and you will not receive discounted prices.

You will receive more detailed information, in a separate mailing, on benefits when you do not use a VSP network provider.

Keep in mind that it is always your decision whether to use network or non-network providers, but with network providers the cost savings can be substantial.

## Finding VSP Network Providers

VSP's network includes many providers; so your current provider may already be in the VSP network. To locate a VSP network provider, you can:

- ▶ Ask your provider if he/she participates in the VSP network;
- ▶ Call VSP Member Services at 1.800.877.7195, Monday – Friday, 8:00 a.m. until 8:00 p.m.; or
- ▶ Visit their Web site at [www.vsp.com](http://www.vsp.com) for more information.

## How The Network Saves You Money

The example below shows how you can save money with the new VSP network for both a pair of glasses and contacts.

<b>SERVICES/SUPPLY RECEIVED</b>		<b>CURRENT PLAN</b> (effective through December 31, 2004)	<b>NEW PLAN NETWORK PROVIDER</b> (effective January 1, 2005)
<i>Type</i>	<i>Usual And Customary Charge</i>		
<b>Exam</b>	\$80	You pay \$16 (20% x \$80)	You pay \$20
<b>Contacts, including fitting</b>	\$200	You pay \$40 (20% x \$200)	You pay \$0
<b>Glasses</b>		You pay \$55 (20% x (\$150 + \$125))	You pay \$20
▶ <b>Lenses</b>	\$150		
▶ <b>Frames</b>	\$125		
<b>Total</b>	\$555	You pay \$111	You pay \$40

Under the new vision program, you pay only \$40 instead of \$111; and the Plan pays less as well. As you can see, when you use network providers, the savings can add up – for you and the Plan!

*Disability Benefits Eligibility*

In the event you become disabled, you should contact your employer and the Fund Office as soon as possible to see if you are eligible for disability benefits.

*Work Related Disabilities*

If you are disabled due to an occupational injury (i.e., an injury that results from your employment), you may be eligible for workers' compensation benefits. Be sure to notify your employer to apply for workers' compensation benefits.

# Disability Benefit Improvements

Realizing that there may be times when you are unable to work due to an illness or injury, EIT provides disability programs to meet both your short-term and long-term needs. We are pleased to announce that the Plan is making the following improvements, effective for disabilities that begin on and after January 1, 2005:

- ▶ **Accident and Sickness (A&S) Benefits:** The weekly amount of the A&S Benefit is increasing over 76%, from \$425 to \$750 per week.
- ▶ **Long Term Disability (LTD) Benefits:** While the Plan will continue to pay a monthly benefit of 60% of your average monthly salary, the Plan is:
  - ▶ Increasing the monthly maximum amount by over 87%, from \$1,600 to \$3,000; and
  - ▶ Adding a minimum monthly amount of \$2,000. This means that for eligible employees, the minimum amount you will receive is \$2,000 per month. That is \$400 more than the maximum you could receive before January 1, 2005.

Refer to your Summary Plan Description for more information on the Plan's disability benefits.

# To-Do Checklist

There are a few things you can do to get the most from your Plan:

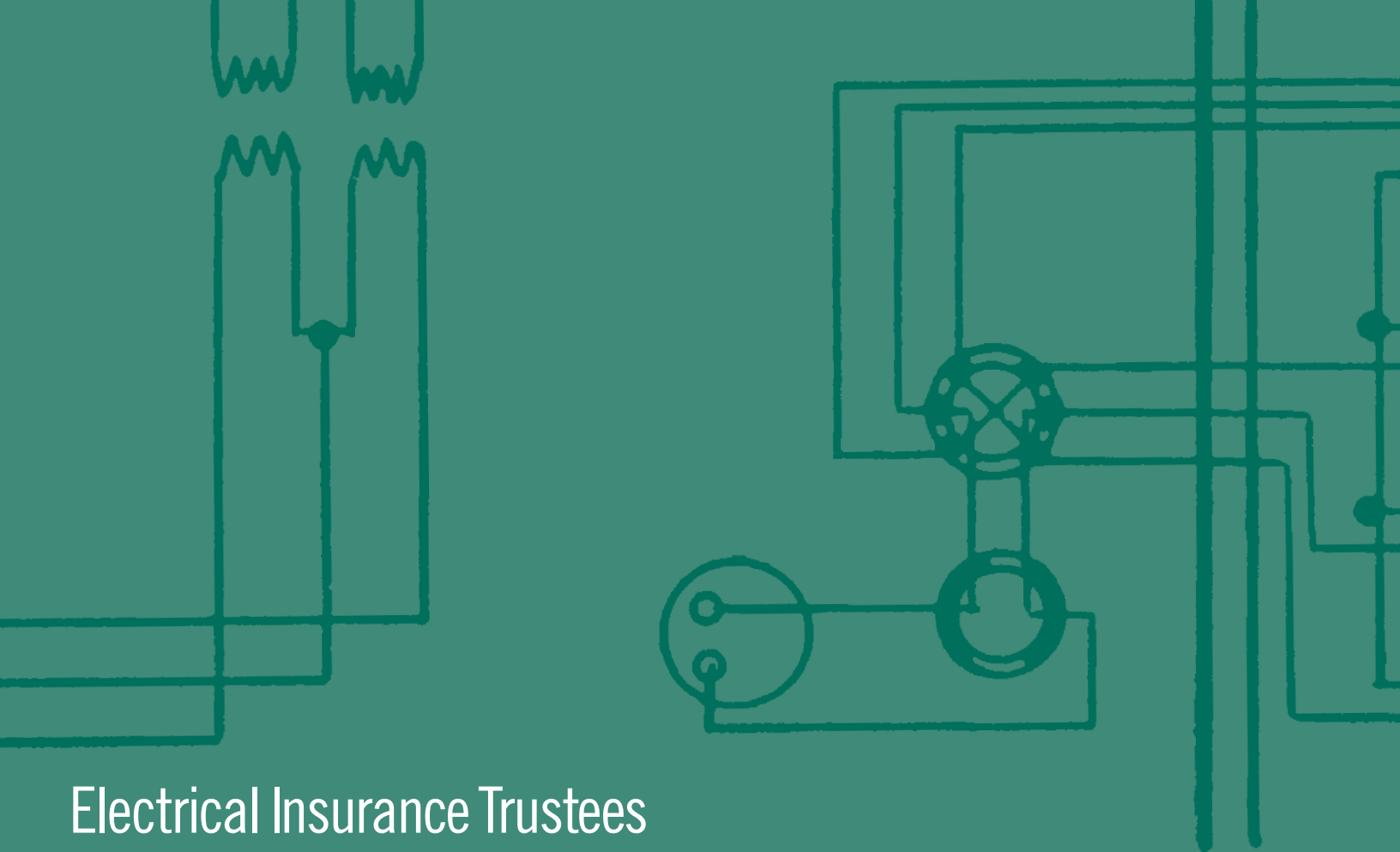
*Remember: Using network providers can save you money.*

<input type="checkbox"/>	<b>Confirm that your provider participates in the PPO network.</b> To do this, call BlueCross BlueShield at 1.800.810.2583, <a href="http://www.bcbsil.com">www.bcbsil.com</a> , or call your provider directly to confirm participation in the BlueCross BlueShield PPO network. If your current provider is not in the PPO network, you may want to consider finding an in-network provider.
<input type="checkbox"/>	<b>Talk to your doctor about switching your prescription to a generic or preferred brand name drug.</b> Often these drugs provide similar results for a much lower cost.
<input type="checkbox"/>	<b>Learn more about the prescription drug mail order program.</b> If you take a long-term or maintenance medication, you can receive a larger supply and save money on copayments through the mail order program. To do this, call Caremark Customer Care at 1.800.966.5772.
<input type="checkbox"/>	<b>Confirm that your vision provider participates in the VSP network.</b> To do this, call VSP at 1.800.877.7195, visit <a href="http://www.vsp.com">www.vsp.com</a> , or call your provider directly to confirm participation in the VSP network. If your current provider is not in the VSP network, you may want to consider finding a VSP network provider.
<input type="checkbox"/>	<b>File</b> any claims within one year of the date you receive services.
<input type="checkbox"/>	<b>Share</b> your benefits information, including this brochure, with your family
<input type="checkbox"/>	<b>Keep</b> this information with your Summary Plan Description and other benefits information.
<input type="checkbox"/>	<b>Call 312.782.5442 if you have any questions.</b> Staff members are available Monday through Friday, 8:30 a.m. until 4:30 p.m. to assist you.

*This brochure contains information about the Electrical Insurance Trustees benefit Plans. Actual Plan provisions may be found in the Plans' Summary Plan Descriptions (SPD), which are the Plans' legal documents. In the event of a conflict between the wording in this announcement and the SPDs, the SPDs will govern. Plans are subject to change without prior notice to participants.*

# Notes

# Notes



# Electrical Insurance Trustees

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