



# UPDATE

NEWS FROM ROAD CARRIERS LOCAL 707 WELFARE & PENSION FUND MAY 2001

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Please note that there is important information about your rights under the Plan in this issue. Please read and retain for future use.

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## Fund Office Announces New Member “Information Hot-Line”

The Fund Trustees are pleased to announce the implementation of our new **Interactive Voice Response System (IVR)**. This new automated system will allow Fund members, beneficiaries and providers to access information such as eligibility, claims status, pension credits and faxing capability, 24 hours a day ~ 7 days a week. The Fund has also taken measures to insure complete confidentiality and security on our new system.

### Why Introduce a Member Information Hot-Line?

Not all benefit plan questions occur during the fund’s business hours. The Trustees want you to be informed and be aware that you are able to access plan information anytime of the day or night, in much the same way that banks, insurance companies and financial institutions offer on a 24 hour basis. The new IVR works in a similar fashion. It provides members, beneficiaries and providers with important information, not only during normal business hours, but 24 hours a day. The new IVR will be able to voice precise and consistent answers to the most commonly asked questions. The IVR system is easy to use ~ **simply listen to the menu options and press the keypad on your touch tone phone to select the option you desire**. If at any time you need to speak with a Union or Fund representative, you have the option of dialing them directly or leaving a voice mail message outside of normal business hours.

### System Design

Your Fund Trustees assembled a project work team prior to designing the voice response system. The work team consisted of fund office employees with expert knowledge of technology and benefit plan administration. Fund office employees responsible for answering your calls during business hours, helped the project work team understand your most frequently asked questions. The voice response system is designed to answer those questions after hours. Self-service systems cannot be designed to answer all questions so it was determined that the system should be designed to respond to the most frequently asked questions. It was determined that it is important to allow callers to be transferred directly to the voice mail of certain fund office employees after hours so the voice response system is designed to distribute calls to voice mail accounts.

### Member Services

The voice response system provides the fund office with a great amount of flexibility. The services which the system provides can be enhanced over time and they can be changed as the fund office finds ways to use the system to better serve members and physicians. Here is a list of some of the after hours services the system will initially offer members:

- ❖ Verify eligibility
- ❖ Check the status of a claim
- ❖ Request a form by fax or mail
- ❖ Check COBRA eligibility
- ❖ Leave a message
- ❖ Transfer to Options Unlimited of MHN

The fund office plans to monitor the use of the information hot-line to make improvements and enhancements as new opportunities to serve our members are discovered.

**LEGAL LIMITATIONS ON YOUR PENSION PLAN BENEFITS**

As a participant in the Road Carriers Local 707 Pension Plan (“Plan A”), once you vest you will be eligible to receive a pension upon retirement. Under the terms of the Plan, generally, your retirement benefit is a monthly annuity calculated by multiplying your pension credits by a dollar amount determined under the Plan. If you are married when you retire, your annuity<sup>1</sup> is typically what is known as a joint and survivor annuity, with the monthly annuity payable for the rest of your life, and half that amount payable for the rest of your spouse’s life if he or she survives you. If you are single when you retire, or are married and make the appropriate election, your annuity benefit is a five year certain annuity with the monthly annuity payable for the rest of your life. If you die within the first five years after you begin receiving your pension, your beneficiaries will receive any remaining annuity payments for the initial five years of your retirement benefit.

**Federal law** places certain restrictions on pension plan benefits. One such restriction may limit the amount of benefits that you are permitted to receive from the Plan. Currently, you may not receive an annual pension greater than the *average* of your compensation for the three consecutive years you were paid the most. And if you retire early (that is, before age 65), there is an absolute dollar limitation on the amount of benefit you may receive. This limit depends upon your age at retirement, and the earlier you retire, the lower the limit. The following chart shows how the limit might apply to you if you retired at a relatively early age with a full, unreduced pension:

<b>Retirement Age</b>	<b>Estimated Annual Pension Limitation*</b>
<b>43</b>	<b>\$26,846</b>
<b>44</b>	<b>\$28,505</b>
<b>45</b>	<b>\$30,285</b>
<b>46</b>	<b>\$32,196</b>
<b>47</b>	<b>\$34,251</b>
<b>48</b>	<b>\$36,463</b>

*\*The exact limit depends upon the date you retire.*

If you are planning to retire soon, you should check with the Fund Office to determine whether your projected retirement benefits may be affected by the limits discussed above. Planning ahead can make a big difference. If these limits affect you, working even as little as an additional month or two before retiring early could be the difference in having your retirement benefit reduced or not.

You should be aware that federal legislation has been proposed to eliminate the average compensation limit described above and increase the dollar limit. If Congress does not increase these limits, you may not be paid the full amount of the pension you have earned.

<sup>1</sup>*Annuity: The specified monthly payment to a pensioner.*

***Union Trustees***  
 Kevin McCaffrey  
 Vincent Cangelosi

**Road Carriers Local 707**  
**BOARD OF TRUSTEES**

***Fund Manager***  
 David B. Stewart, C.E.B.S.

***Phone***  
 (516) 486-7100  
 1-800-366-3707

***Address***  
 Road Carriers Local 707 Welfare and Pension Plans  
 14 Front Street ~ Hempstead, New York 11550

***Employer Trustees***  
 Peter Hassler  
 Frank Santanella  
 John Novak

*Helpful Hints ~ Your attention to these matters can help to maximize the benefits available to you from your Welfare Fund!.*

### *Changes of Operations*

When making a decision whether to relocate as part of a change of operations, remember to consider the following:

Typically, you will be required to transfer your IBT membership to the local having jurisdiction at the new location. However, in order to protect against adverse consequences regarding your pension and retiree welfare coverage, you will remain a participant of Road Carriers Local 707 Funds.

In the past, the Fund contracted with several HMO's in order to provide managed care plans outside the NYC metropolitan area. Increasing premium costs are making this option financially prohibitive. Therefore, the funds will no longer contract with HMO's for future changes of operations and will provide indemnity coverage only. We are in the process of trying to identify PPO networks that are capable of providing adequate coverage for those areas.

We strongly suggest that you contact the Fund Office to discuss your options before making a final decision if managed care access is a determining factor in your decision.

### *Maintenance Drug Program*

If your eligibility will be terminating, submit scripts a minimum of 2 weeks before the end of the period. Scripts not "filled" before the end of the eligibility period will be rejected. Also, premature submission of refills will be rejected. You must be eligible at the time the script is due for refill or order for the script to be honored.

To avoid any delays in supplying you with your maintenance drugs, please be sure your check is issued to **ROAD CARRIERS LOCAL 707 WELFARE FUND** and mailed to the Teamsters Care Pharmacy, 522 Main Street, Charlestown, MA 02129-1109. The co-pay cost for prescriptions or renewals is **\$5.00 EACH**.

### *Second Surgical Opinions*

Mandatory second surgical procedures for which you must obtain a second opinion are limited to the following:

**Back Surgery** (disc surgery, including injection therapy, laminectomy and scoliosis surgery)  
**Eye Surgery** (eyelid surgery, blepharoplasty)  
**Lipectomy** (removal of fatty tissue)  
**Nose Surgery** (rhinoplasty)  
**Scar Revision Surgery** (all surgeries)  
**Vein Surgery** (sclerotherapy, agent injections)

All procedures require a pre-notification with Options Unlimited and a penalty will apply if the procedure is done on an inpatient basis and not certified.

Failure to obtain the second opinion in the above cases may result in the Plan's not paying for the surgical procedure and anesthesia.

### *Dental, Optical & Prescription Discounts*

The Dental & Optical and Prescription discount programs allow those retirees who do not have medical benefits to get a discount for these services.

As a reminder, the discount is only applicable after the retiree identifies him/herself as a Road Carriers Local 707 Retiree and the benefit is determined by the vendor.

When using the prescription discount, it is recommended that you inquire at several locations to assure that you are getting the best available discount.

Again, this program is available to retirees and their spouses who are not currently eligible for medical benefits. If you are not utilizing the program and wish to have a prescription card sent to you, please call the Fund office. Upon request, a discount card will be requested and sent to your home.

### *Orthodontic Benefits*

Orthodontic benefits are subject to a Lifetime Maximum of \$2,500 for services provided in area and \$3,500 for services provided out-of-area. This benefit is also limited to a 24-month course treatment. Under most circumstances, you will be liable for any services provided beyond 24 months.

To avoid any surprises, ask your orthodontist for a treatment plan before you or your dependent begin treatment.

## SUMMARY OF MATERIAL MODIFICATIONS ROAD CARRIERS LOCAL 707 WELFARE FUND

During the fiscal year ended August 31, 2000, several changes have taken place in the Welfare Plan. The following is a summary of them:

### 1. CHANGE IN BOARD OF TRUSTEES

#### *Union Trustees*

Effective 9/30/00, Mr. Nicholas Picarello resigned as Union Trustee of the Welfare Fund.

#### *Employer Trustees*

Effective 10/21/99, Mr. John Novak was appointed as an Employer Trustee of the Welfare Fund.

### 2. MVP~ALTERNATIVE PLAN

Effective 1/1/00, the Trustees agreed to replace the current MVP HMO plan with an alternative plan from MVP. The alternative plan increases the medical visit co-pay from \$10.00 to \$15.00 and the prescription drug co-pay from \$5.00 generic/\$10.00 brand to \$5.00 generic/\$20.00 brand.

### 3. OXFORD HEALTH PLAN

The Trustees terminated the Oxford Health plan effective 10/31/00.

### 4. CHIROPRACTIC COVERAGE

Chiropractic coverage under the plan is not available to children under the age of 12.

### 5. SECOND SURGICAL OPINION

The Trustees, on the advice of the Fund's Medical Consultant, have revised the Second Surgical Opinion Benefit. Mandatory second surgical opinion are required for the following procedures:

Back Surgery	Blepharoplasty
Lipectomy	Rhinoplasty
Sclerotherapy	Scar Revision Surgery

Also, the following procedures must be reviewed by our Medical Consultant prior to services being provided: Organ Transplant and Gastric Bypass.

The Board of Trustees shall continue to update and advise you of additional changes in the Welfare Fund's Plan of Benefits

## SUMMARY OF MATERIAL MODIFICATIONS ROAD CARRIERS LOCAL 707 PENSION FUND

During the fiscal year ended August 31, 2000, several changes have taken place in the Pension Plan. The following is a summary of them:

### 1. CHANGE IN BOARD OF TRUSTEES

#### *Union Trustees*

Effective 9/30/00, Mr. Nicholas Picarello resigned as Union Trustee of the Pension Fund.

#### *Employer Trustees*

Effective 10/21/99, Mr. John Novak was appointed as an Employer Trustee of the Pension Fund

### 2. PENSION BENEFIT IMPROVEMENT

Effective 7/1/00, the following improvement was made for participants working under the Master Freight Agreement: **the normal unit monthly benefit level increased to \$115 per year of pension service.**

The Board of Trustees shall continue to update and advise you of additional changes in the Pension Fund's Plan of Benefits.

## SUMMARY ANNUAL REPORT FOR ROAD CARRIERS LOCAL 707 WELFARE FUND

This is a summary of the annual report of the ROAD CARRIERS LOCAL 707 WELFARE FUND, EIN 11-2159859, Plan No. 501, for the period September 1, 1999 through August 31, 2000. The annual report has been filed with the U.S. Department of Labor's Pension and Welfare Benefits Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

### Insurance Information

The plan has contracts with AETNA/US HEALTHCARE, INC. AND SUBSIDIARIES, AMALGAMATED LIFE INSURANCE COMPANY, HIP HEALTH PLAN OF NEW YORK, GEISINGER HEALTH PLAN, OXFORD HEALTH PLANS, AETNA LIFE INSURANCE COMPANY, HIP Health Plan of New York, GHI HMO and MVP HEALTH PLAN to pay claims incurred under the terms of the plan. The total premiums paid for the plan year ending August 31, 2000 were \$4,518,846.

### Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$30,928,418 as of August 31, 2000, compared to \$29,421,685 as of September 1, 1999. During the plan year the plan experienced an increase in its net assets of \$1,506,733. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$22,289,327 including employer contributions of \$19,893,481, employee contributions of \$275,848, realized losses of \$305,958 from the sale of assets, and earnings from investments of \$2,407,838.

Plan expenses were \$20,782,594. These expenses included \$2,059,322 in administrative expenses and \$18,723,272 in benefits paid to participants and beneficiaries.

### Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. assets held for investment;
3. transactions in excess of 5% of the plan assets;
4. insurance information, including sales commissions paid by insurance carriers; and
5. financial information and information on payments to service providers.

To obtain a copy of the full annual report, or any part thereof, write BOARD OF TRUSTEES ROAD CARRIERS LOCAL 707 WELFARE FUND, 14 FRONT STREET, HEMPSTEAD, NY 11550, (516) 486-7100. The charge to cover copying costs will be \$20.50 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (BOARD OF TRUSTEES ROAD CARRIERS LOCAL 707 WELFARE FUND, 14 FRONT STREET, HEMPSTEAD, NY 11550) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-5638, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

## SUMMARY ANNUAL REPORT FOR ROAD CARRIERS LOCAL 707 PENSION FUND

This is a summary of the annual report for the ROAD CARRIERS LOCAL 707 PENSION FUND, EIN 51-6106510, Plan No. 001, for the period September 1, 1999 through August 31, 2000. The annual report has been filed with the U.S. Department of Labor's Pension and Welfare Benefits Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

### Basic Financial Statement

Benefits under the plan are provided through a trust fund. Plan expenses were \$29,426,207. These expenses included \$3,178,192 in administrative expenses and \$26,248,015 in benefits paid to participants and beneficiaries. A total of 5,697 persons were participants in or beneficiaries of the plan at the end of the plan year.

The value of plan assets, after subtracting liabilities of the plan, was \$440,998,744 as of August 31, 2000, compared to \$394,239,219 as of September 1, 1999. During the plan year the plan experienced an increase in its net assets of \$46,759,525. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$76,185,732 including employer contributions of \$14,773,625, realized gains of \$72,778 from the sale of assets, and earnings from investments of \$61,318,814.

### Minimum Funding Standards

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

### Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. assets held for investment;
2. transactions in excess of 5% of the plan assets;
3. actuarial information regarding the funding of the plan.
4. financial information and information on payments to service providers; and
5. information regarding any common or collective trusts, pooled separate accounts; master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call BOARD OF TRUSTEES ROAD CARRIERS LOCAL 707 PENSION FUND, 14 FRONT STREET, HEMPSTEAD, NY 11550, (516) 486-7100. The charge to cover copying costs will be \$27.00 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

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## Letters from you



My husband Leo is a member of Local 707 and when I was diagnosed with a rare form of cancer, I was immediately referred to Memorial Sloan Kettering Cancer Center. I contacted Local 707's medical department and was referred to Options Unlimited. The women there were just so wonderful, understanding, helpful and very reassuring. They keep in touch with me through the whole process of pretesting, surgery and aftercare. They should be commended.

But I would especially like you to know that the people at Local 707, especially Theresa were so helpful in getting all my surgical bills in order and paid promptly once received. It was comforting to know that all of this was taken care of. So we would just like to thank everyone who helped us through this trying time and to let you know how grateful my husband and are for everything that these wonderful people have done.

P.S. I am doing very well. The cancer is gone.

*Gratefully yours,  
Leo and Laura Brodala*



Dear Susan,

I would like to bring your attention to the quality of work of one of your employees. Her name is Irene. Irene has always been such a great help to me every time I call her about my bills. I have called the union

numerous times, she has gone out of her way to solve the problem. Also her attitude and social skills are wonderful. When someone is looking for help this is the person you need to hear on the other end of the phone.

I hope the Local 707 realizes that they have such a valuable employee representing their company. They should be grateful and proud!

*Donna Grassi*



Dear Mr. Stewart,

My husband Frank Masciana works for Yellow Freight and he is a Local 707 member. Frank and I are writing this letter on behalf of Yvette Thompson.

Frank had open heart surgery a few years ago. It was a very worrisome time for both of us especially at a young age of thirty five. If we had any problems or questions with medical, Yvette would help us immediately in a professional and kindly manner.

Whenever I had a question, 99.9% of the time Yvette would have the answer with all the information needed. If she did not have an answer, she would investigate and call back immediately. Yvette always made us feel comfortable and at ease.

When Yvette went on maternity leave, I panicked! Who could replace this fabulous woman. I have so much trust in her because she knows her job inside and out. Yvette Thompson is one of the most valuable, honest, and trustworthy workers I have ever met. I want to make it perfectly clear that Susan

and Yvette are the two most capable people in the medical department at Local 707.

Thank you for letting us share our opinion with you. I am so happy Yvette is back with Local 707. I hope she will be rewarded for her outstanding work!

*Ann Marie & Frank J Masciano*



Dear Dave,

Thank you so much for your prompt help with my problem. Susan is a tremendous asset to your office. Her kind mannerism and efficiency were of great help to me. Once again, thank you.

*Dolores Palazzo*



To All:

Many thanks for the 13th check. It's great to be a Teamster ~ active or retired. Again thanks.

*Ernest Taska*



I would like to thank everyone at Local 707 for all the help you gave me over the last 29 months with the Cobra coverage. A special thanks to Jayne for all her help.

*Diane M. Robinson*



Dear Danielle and Sonia

Thank you so much for all your help and for putting up with my many phone calls in connection with my retirement from Waldbaums. You took me along every step of the way with efficiency and courtesy.

You are both great ladies in my book. Once again, thank you!

*B. Burr*

## POST MASTECTOMY RECONSTRUCTIVE SURGERY

**Y**ou should be aware that the Road Carriers Local 707 Welfare Fund covers Post-Mastectomy Reconstructive Surgery.

The following is a brief description of this coverage update:

- Subject to the usual deductible and co-insurance, for any participant or dependent undergoing a mastectomy and who elects reconstructive surgery, the Fund covers reconstruction of the breast on which the mastectomy was performed.
- As part of this, the Fund also covers reconstruction of the breast on which the mastectomy was not performed in order to produce a symmetrical appearance.
- In addition, the Fund covers the cost of any prostheses and treatment of physical complications at all stages of the mastectomy including lymphedemas.

To be covered, reconstructive surgery must be conducted in a manner determined in consultation with the attending physician and patient. The coverage for reconstructive surgery will be subject to the usual deductible and co-insurance consistent with the terms of the Fund's summary plan description.

**Road Carriers Local 707  
Welfare & Pension Funds  
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Hempstead, New York 11550**

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