


FUND



UPDATE

BULLETIN FROM ROAD CARRIERS LOCAL'S 707 WELFARE & PENSION FUNDS



March 2003

Special Provision Allowing Certain Pensioners To Opt Out Of The Fund's Retiree Medical Coverage

To: All Participants of the Road Carriers Local 707 Welfare Fund

The Board of Trustees of the Road Carriers Local 707 Welfare Fund ("Fund") has adopted a special provision that allows certain pensioners to opt out of their retiree medical coverage in the Fund and then return at a later date, provided they had other substantially comparable medical coverage at all times during the opt out period. By implementing this change, the Trustees hope to reduce the health care cost burden for pensioners who may have health coverage from other sources. The change will allow eligible pensioners to terminate benefits under the Fund without forfeiting their eligibility to return to the Fund's coverage.

Prior to April 1, 2003, the Fund's rules provided that pensioners who terminated their medical coverage in the Fund were not allowed to return to coverage under the Fund. A pensioner who may have had health coverage from another source was required to continue paying their monthly co-pay to the Fund or they would forever forfeit medical coverage from the Fund.

Effective April 1, 2003, eligible pensioners who terminate their medical coverage under the Fund may later return to participation in the Fund, provided they can submit written proof to the Fund that they were covered by other substantially comparable medical coverage during the period they were not covered by the Fund. During the period pensioners opt out of Fund coverage, they will not be required to make the monthly co-pay and will not be eligible for any coverage for any medical expenses. Upon return, eligible pensioners will be required to resume their co-pay at whatever amount is then currently in effect. Medical coverage will resume during the month following the Fund's receipt of the pensioner's written request to return and completion by the Fund of verification of the eligibility to return.

Nothing in this new opt out provision alters or in any way amends the Fund's eligibility provisions, or grants benefits or benefit eligibility beyond that provided for by the Fund. Pensioners who elect the \$2,500 life insurance benefit in lieu of retiree medical coverage at the time of retirement, however, are not eligible for this special provision. As always, the Trustees of the Fund, in their sole discretion, may change or discontinue benefits and/or may change co-pay amounts or eligibility requirements at any time.

This Summary of Material Modifications describes changes in the Welfare Fund and should be added to your Summary Plan Description.

Sincerely,

The Board of Trustees