

# Michigan Conference of Teamsters Welfare Fund

# Messenger



VOLUME 21, ISSUE 4

FALL 2003

## Message from the Fund's Executive Director

Dear Teamster Families,

Greetings. We hope you had a fine Thanksgiving; a warm, memorable holiday marked by collective effort and shared pleasure with our extended families and a moment in time which connects us to so many other such moments, past and future. Special greetings to the family of Lt. Col. Skip Micele, Local 406 Business Agent, who got to spend the holiday with Skip before his return to Iraq.

But, of course, Thanksgiving was just a day of shelter from the storm. Teamsters continue to lose their jobs to an economy that remains down on bleeding knees, driven there, in large part, by a federal government dominated by economic ideologues on the right and by officials of every stripe who have buckled to the will of the special interests, and who have turned a blind eye to the decimation of the ranks of middle class workers led there a generation ago through a lifetime of toil by leaders such as James R. Hoffa.

Meanwhile, the Fund's Trustees continue to assess the economic forces affecting the Fund and to consider how they may best act on your behalf, presently and for the future. The dynamics of the health care market place are particularly difficult to respond to as they involve so many competing interests, and considerations and expectations of the most personal and deeply felt nature. The Trustees have acted with restraint, intent on addressing the health of the Fund over the long term. The Plan modifications they have made and will make are an effort at incremental fine tuning to preserve Fund assets and respond to evolving wisdom and practices, without significant negative consequence to participants and beneficiaries. The Trustees believe that the true key to a viable future is the prudent selection of health care providers who are devoted to best practices and the guidance of Teamster families to informed, responsible health care decision-making.

The Trustees, staff and I wish you a wonderful holiday season.

Richard Burker

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## New Fund Network ID Cards Coming!

In late December, 2003 the Fund will be issuing new Fund Network ID cards to all currently eligible active and retired participants covered under a Fund medical/dental or medical only plan. Participants with eligible dependents will receive two cards, both in the name of the participant.

This card does not replace your existing BCBSM ID card, which you should continue to present at participating pharmacies and hospitals. Your new Fund Network ID card should be presented when receiving services from all other health care providers. When you receive your card please review it for the accuracy of your name and statement of your Fund participant (social security ) number .

If you either fail to receive your Fund Network ID card or your card has incorrect personal information, please contact the Fund's Member Services Department on or after January 14, 2003 for re-issuance.

The Fund Network ID card will include the MultiPlan logo which must be presented to MultiPlan providers to avail you of associated favorable financial arrangements. Along with your ID card, you will be notified of the effective date of MultiPlan Network access, although we remain targeted for a January 1st implementation.

Continued on Page 2

**PPOM or MultiPlan?**




If you reside in Michigan, Ohio or Indiana, PPOM is your primary network while MultiPlan serves as a complementary network. If you choose to use a MultiPlan provider, benefits will be provided subject to out-of-network deductibles and coinsurance levels, but you will have no balance billing exposure and your coinsurance payment will be smaller due to the discounted physician fees contracted for by MultiPlan.

If you reside in states other than Michigan, Ohio or Indiana, MultiPlan is your physician network. If you obtain physician services from a non-participating physician, your benefits will be provided subject to out-of-network deductibles and coinsurance levels. MultiPlan providers arranged geographically and by specialty, can be accessed through the Fund's website, which will link to MultiPlan.

Shown below is an image of the new Fund Network ID card. For those plans that do not have dental coverage, no network reference will be made.

Michigan Conference of Teamsters Welfare Fund 2700 Trumbull Ave, Detroit, MI 48216 • 313-964-2400 • 800-572-7687 • www.mctwf.org	
Attention Providers: See Reverse Side for Billing Instructions	<b>Medical Networks</b>  Primary Network for participants residing in MI, OH, IN - For provider referrals call Fund (then press 1) or access Fund's website.  Complementary Network for participants residing in MI, OH, IN - Primary Network when traveling or residing elsewhere-Provider referral hotline available 24 hrs. 800-672-2140. <b>Mental Health &amp; Substance Abuse Network</b> For 24-hour emergency assistance and network referrals call 800-457-8540. <i>Prior authorization required.</i>   <b>DELTA DENTAL Premier Network</b> For provider referrals call Fund (then press 1) or access Fund's website.
 Participant # 123-45-6789 Participant Name Doe, Jane	For all participating pharmacies and Blue Cross hospitals, use your BCBSM ID card.

**Card Front**

Eligibility, Benefits & Claims Inquiries 313-964-2400 or 800-572-7687	
PPOM Network - Bill PPOM P.O. Box 2720 Farmington Hills, MI 48333	MultiPlan Network- Bill Fund (see address below) 
<b>All Network and Non-Network Dental Providers:</b> Bill Fund P.O. Box 331327 Detroit, MI 48232-7237 	
Prior authorizations required. Provider or participant must call:  <b>ValueOptions</b> 800-457-8540 Bill Fund (see address below)	
Michigan Conference of Teamsters Welfare Fund 2700 Trumbull Ave, Detroit, MI 48216 • 313-964-2400 • 800-572-7687 • www.mctwf.org	

**Card Back**

## Flexible Dependent Coverage Program

The Flexible Dependent Coverage Program provides a medical expense reimbursement account to cover certain medical, dental and optical expenses that are not reimbursed by the Fund or other benefit plans and that are deductible from individual tax returns if itemized. To participate in this Program, a participant must enroll and agree to waive all Fund medical and prescription drug coverage for his dependents (i.e., spouse and dependent children). Evidence that each dependent has other coverage is required. The waiver remains in effect until such time as the participant notifies the Fund to discontinue participation in the Program.

We are pleased to inform you that the Fund will increase the Program benefit to \$100 per month for participants with dependents effective for the next calendar year enrollment period (January 1, 2004 – December 31, 2004). Benefits for current Program members with qualified dependents will be increased automatically to the \$100 monthly level. The current monthly accrual benefit of \$45 will continue to apply to Program members with no dependents.

If you wish to participate in this Program, you first must fill out the Fund's Flexible Dependent Coverage Election Request form and send proof of other dependent coverage. A copy of the form can be obtained by contacting the Fund's Member Services Department or on our website at [www.mctwf.org](http://www.mctwf.org). The current general enrollment window is now open and documents will be accepted so long as they are post marked by December 31, 2003. After that date the enrollment period will not re-open until next year at this time, although you may enroll at any time if you make timely application following a change in family status.



### Definition of a Spouse

The Fund defines "spouse", for the purpose of administering its plans of benefits as, "an individual recognized as a spouse under the law of the State of Michigan."





## Dental Benefit Changes

The Trustees have determined it necessary to make the following changes to the Fund's Dental Plan and the Dental/Optical Plan I, effective January 1, 2004:

- **Annual Dental Benefit Maximum** - \$2,000 per person (currently \$2,500).
- **Class III Dental Services Coinsurance** - 85% of allowed charges (currently 100%) for all major restorative services (procedures performed when teeth cannot be restored with standard fillings, such as crowns and onlays) and prosthodontic services (procedures and appliances that replace missing teeth, such as bridges and dentures).

Preventative and basic restorative treatment, referred to as Class I and Class II services respectively, remain unchanged, meaning that a participant utilizing a Delta Dental dentist will continue to have no out-of-pocket expense for these services up to the annual maximum benefit of \$2,000.

- **Lifetime Orthodontic Benefit Maximum** - \$3,500 for in-network orthodontic treatment commencing on or after January 1, 2004 (Fund continues to cover 85% of allowed charges). Benefits for out-of-network treatment remain at 50% of allowed charges up to \$2,000 lifetime.
- **Full Mouth X-rays** - The benefit has been corrected to conform with Delta Dental's rule and accepted professional practice, which provides for coverage once every 5 years, rather than once every 3 years.

In order to ensure that intended dental services are covered under your plan of benefits and to ensure that you understand any financial exposure you may have, the Fund recommends predetermination of all dental procedures in excess of \$200 in charges, whether or not your dentist participates in the Delta Dental network, through written submission, by your dentist, to the Fund's Dental Claims Unit.

## Medical Benefit Changes

The Trustees have determined it necessary to make the following changes applicable to the SOA, TIF, I&S, PEP and UE Medical Plans\*, effective March 1, 2004:

- **In-Network Office Visit Copayment** - \$20 per visit (currently \$10).
- **In-Network and Out-of-Network Emergency Room Visit Copayment** - \$20 per visit (currently none).
- **In-Network and Out-of-Network Hospital Admission Copayment** - \$250 per admission (currently none); includes psychiatric/substance abuse admissions.

\* These changes are not applicable to the Key I and II Plans and Retiree Medical Program, which are full major medical benefit plans that have per person/per family deductibles and coinsurance requirements for the above services.

## Affinity Rx Drug Program Renewal



The Fund is pleased to announce the renewal of the Affinity Rx Drug Program for calendar year 2004.

The Fund has increased the required contribution rate (please see schedule below). The rate changes are effective April 1, 2004.

Years of Active Participation	Quarterly Rate Per Person
05 - 10	\$95.00
11 - 15	\$90.00
16 - 20	\$80.00
21 Plus	\$65.00

As you are aware, once the limit of \$1,000 in net Fund expense is reached in any year, participants are entitled to purchase prescription drugs for the balance of the year at the same discounted rate at which the Fund would be charged. However, participants must continue to make quarterly payments even if they have reached the \$1,000 limit to be eligible to participate in the program for the following year.

## Elimination of Reciprocity Rule

The Fund no longer will recognize participation in a Central States Health and Welfare Fund plan for purposes of:

- Establishing Fund Retiree Medical and Affinity Rx Drug Program eligibility; or
- Determining the years of service to establish the required Fund Retiree Medical and Affinity Rx Drug Program self-contribution rate.

This change applies to all individuals or groups whose participation in a Fund plan commences on or after November 30, 2003.

## Death Benefit Suicide Exclusion Amendment

In the Summer 2003 issue of the *Messenger* we advised that death benefits under the Fund's Plans are not payable in the case of suicides, based on the Summary Plan Description provision that states "If you die from natural or accidental causes while you are eligible for benefits, your beneficiary is entitled to a benefit in the amount shown in your Schedule of Benefits."



This rule has been amended to limit the suicide exclusion to the first two years of participation. This means that death benefits will be paid in the case of the suicide of a participant who has been actively and consecutively covered under the Fund for a period of 24 or more months. However, suicides remain as an absolute exclusion under the Accidental Death & Dismemberment benefit.

### Benefit Bank Weeks Disputed/Grieved Suspensions

For those Fund Plans that provide them, benefit bank weeks are used to avoid interruptions in benefit coverage in certain cases, such as layoffs, where the employer is not obligated to make contributions to the Fund on behalf of an employee. Benefit bank weeks are forfeited, however, in the event of voluntary or involuntary termination of employment.

In the Summer 2002 issue of the *Messenger*, we informed you that there is an exception to the rule in the event that a termination is being formally grieved. Written verification from the local union, which must include a copy of the grievance, is required. In such case, the Fund will apply remaining benefit bank weeks retroactive to the last coverage date.

The Fund has further decided that suspensions that are formally grieved will be treated in the same manner. Written verification from the local union, which must include a copy of the grievance, is required. In such case, the Fund will apply remaining benefit bank weeks retroactive to the last coverage date.

### Retiree Plan Self-Contributions Must be Paid on Time!

For those who participate in the Retiree Medical and Affinity Rx Drug Programs, timely receipt of your contributions are essential to preserve your right to participate. Your failure to receive the Fund's invoice and payment coupon does not relieve you from the obligation to make timely contributions. Coverage under any retiree plan will terminate if contributions are not received when due, so do not risk termination by waiting for an invoice/coupon. If you have not received your invoice/coupon by the 15th of the month, place your social security number on your check or money order and mail it to Bank One Michigan, as noted below. Then, please contact the Fund's Member Services Department to advise that you have not received your invoice. Remember, the Fund does not provide warning of impending termination and there is no grace period for late payments, so please be sure to make payment on time.

#### Retiree Medical Program:

Monthly invoices/coupons are mailed on the 1st business day of each month. Payment is due and must be received by the 20th of that month for coverage during the following month.

#### Affinity Rx Drug Program:

Quarterly invoices/coupons are mailed out on the 1st business day of the month preceding each calendar quarter. Payment is due and must be received by the 20th of that month for coverage during the following calendar quarter.

Contributions are to be sent to:

Bank One Michigan  
Dept. 77105  
c/o Michigan Conference of  
Teamsters Welfare Fund  
PO Box 77000  
Detroit, MI 48277-0105



As noted above, while the Fund prefers that you include your coupon with your payment to insure proper posting, timely payments will be accepted as long as the participant's social security number is listed on the check or money order.

**All payments must be made payable to MCTWF.**

# Summary Annual Report for Participants Michigan Conference of Teamsters Welfare Fund Plan Year Ended March 31, 2003

This is a summary of the annual report of Michigan Conference of Teamsters Welfare Fund (hereafter the Plan), EIN 38-1328578 for the plan year ended March 31, 2003. The annual report has been filed with the Pension and Welfare Benefits Administration of the U.S. Department of Labor as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan provides health, dental, optical, prescription drug, short and long term disability, and death benefits for its participants.

## Insurance Information

The Plan has a contract with GE Group Life Assurance Company to pay long-term disability claims incurred under the terms of the Plan. The premiums paid are for salaried staff of the Plan only. The total premiums paid for this policy for plan year ended March 31, 2003 were \$69,172.

## Basic Financial Statement

The value of plan assets, after subtracting liabilities of the Plan was \$201,816,722 as of March 31, 2003 compared to \$237,106,051 as of April 1, 2002. During the plan year, the Plan's net assets decreased by \$35,289,329. This decrease 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 \$113,214,056 including, but not limited to, employer contributions of \$112,011,487, participant contributions of \$5,717,665, net realized gains of \$6,722,987 from the sale of assets, earnings from investments of (\$12,779,690), rental income of \$33,079 and other income of \$1,508,528.

Plan expenses were \$148,503,385. These expenses included \$136,652,677 in benefits paid on behalf of participants and beneficiaries, and \$69,172 in premiums paid to an insurance carrier for the provision of benefits and \$11,781,536 in administrative expenses.

## 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 below are included in that report:

- an accountant's report
- financial information and information on payments to service providers
- assets held for investment
- transactions in excess of five percent of plan assets
- insurance information, including sales commissions paid by insurance carriers
- information regarding any common or collective trusts, pooled separate accounts, master trusts, or 103-12 investment entities in which the plan participates

## To Obtain Additional Information

To obtain a copy of the full annual report, or any part thereof, your request should be addressed to: Executive Director, Michigan Conference of Teamsters Welfare Fund, 2700 Trumbull Avenue, Detroit, Michigan, 48216-1269. The charge to cover copying costs will be \$89.70 for the full annual report or \$.15 per page for any part thereof. You also have the right to receive, at no charge, the annual report's statement of assets and liabilities and accompanying notes or a statement of income and expenses and accompanying notes, or both. If you request a copy of the full annual report, these two statements and accompanying notes will be included, at no cost, as part of that report.

You also have the legally protected right to examine the annual report at the offices of the Michigan Conference of Teamsters Welfare Fund in Detroit, Michigan and at the U.S. Department of Labor in Washington D.C. To obtain a copy from the U.S. Department of Labor, your request should be addressed to:

Public Disclosure Room N 5638  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, D.C. 20210

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The *Messenger*, published quarterly, notifies you of changes to your plan of benefits. Please retain all issues of the *Messenger*, along with your SPD booklet and other plan materials, for future reference.

**MICHIGAN CONFERENCE OF  
TEAMSTERS WELFARE FUND**

**2700 TRUMBULL AVE.  
DETROIT, MICHIGAN 48216  
313-964-2400**

*Metro Detroit 1-800-572-7687  
Upstate 1-800-824-3158  
Out-of-State 1-800-334-9738*



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### Contacting the Fund's Member Services Department

The Fund's Member Services Department is staffed to address your calls within two minutes at average throughout the week. However, there are times when the call volume is high and callers are forced to either wait for exasperatingly long periods, or to leave a request for a return call.

Our highest call volume is on Mondays and diminishes each day thereafter. We urge you to take advantage of much shorter wait times by delaying your calls, if you can, to later in the week or by leaving a voice message, which will be returned within one business day.



### Benefit Exclusion - Automobile Related Injury/Illness

This Notification supercedes all previous communications concerning the above referenced.

The Fund's medical benefit "Exclusions and Limitations" provide that:

- Based upon Michigan's "No-Fault" automobile insurance laws providing for comprehensive health care benefits to any person(s) suffering an injury or illness as a result of an automobile accident in Michigan or to participants and their dependents who are covered under Michigan "No-Fault" automobile insurance and suffer an injury or illness in an out-of-state automobile-related accident, NO medical benefits will be paid by the Fund for auto-related injuries or illnesses.
- Plan participants and their eligible dependents who suffer an injury or illness resulting from an automobile accident and who are covered by "No-Fault" automobile insurance laws substantially the same as Michigan's "No-Fault" laws (which provide for comprehensive health care benefits to any person(s) suffering an injury or illness as a result of an automobile accident), will NOT be eligible for any medical benefits under any Fund plan.

Therefore, if a participant's auto-related injury/illness is not covered under Michigan's "No-Fault" automobile insurance laws or other similar "no-fault" state laws, the Fund will provide benefits pursuant to a signed Subrogation and Acknowledgement agreement (please refer to the "Subrogation and Reimbursement" provision in the Plan SPD).

If you are married please be sure to share this communication with your spouse.