

June 2009

To: ALL PLAN PARTICIPANTS OF THE LABORERS' METROPOLITAN
DETROIT HEALTH CARE FUND

Re: **2008 SUMMARY ANNUAL REPORT AND MISCELLANEOUS ANNUAL NOTICES**

Dear Plan Participants:

We are pleased to provide you with the following Annual Report and Important Notices:

- 2008 Summary Annual Report for the Health Care Fund Pages 2 – 3
- Notice of Privacy Practices Page 4
- Medicare Part D – Prescription Drug Coverage Pages 5 - 6
- Women's Health and Cancer Rights Page 7
- Notice of Material Modification to the Health Care Fund Page 8

If you have any questions regarding any of these notices, please contact the Fund Office to have those questions answered.

Sincerely,

Board of Trustees
Laborers' Metropolitan Detroit Health Care Fund

TO: PLAN PARTICIPANTS OF THE
LABORERS' METROPOLITAN DETROIT HEALTH CARE FUND

RE: **2008 SUMMARY ANNUAL REPORT**

Dear Plan Participant:

This is a summary of the Annual Report of the Laborers' Metropolitan Detroit Health Care Fund, Employer Identification Number 38-2026006, Plan No. 501, for the period of October 1, 2007 through September 30, 2008. The Annual Report has been filed with the Employee Benefits Security Administration, U. S. Department of Labor as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Board of Trustees has committed itself to pay certain medical, surgical, dental and other health care claims incurred under the terms of the Plan.

BASIC FINANCIAL STATEMENT

The value of Plan Assets, after subtracting Liabilities of the Plan, was \$50,668,059 as of September 30, 2008, compared to \$45,036,878 as of October 1, 2007. During the Plan Year, the Plan experienced an increase in its Net Assets of \$5,631,181. This increase includes unrealized appreciation or 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 Plan's Assets at the beginning of the year or the cost of the Assets acquired during the year. During the current Plan Year, the Plan had Total Income of \$24,381,597, including Employer Contributions of \$19,829,658, Employee Contributions of \$2,206,525, realized Gains of \$590,453 from the sale of Assets, Earnings from Investments of \$1,726,313, and other income of \$28,648.

Plan Expenses were \$18,750,416. These expenses included \$1,127,360 in administrative and operating expenses (see Schedule A), and \$17,623,056 in benefits paid to Participants and Beneficiaries.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have a 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. financial information and information on payments to service providers;
3. Assets held for investment; and
4. transactions in excess of 5% of Plan Assets.

To obtain a copy of the full Annual Report, or any part thereof, write or call the office of the Laborers' Metropolitan Detroit Health Care Fund, 6525 Centurion Drive, Lansing, Michigan 48917-9275, or at Toll free (800) 228-0048, (517) 321-7502 or FAX (517) 321-7508. The charge to cover copying costs will be \$2.50 for the full Annual Report or twenty-five cents (\$0.25) per page for any part thereof.

You also have the right to receive from the Plan Administrative Manager, 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 Administrative Manager, these two Statements and accompanying notes will be included as part of that Report. The charge to cover copying costs given 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 (Laborers' Metropolitan Detroit Health Care Fund, 6525 Centurion Drive, Lansing, MI 48917-9275), at any other location where the report is available for examination 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, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

Sincerely,

Board of Trustees
 Laborers' Metropolitan Detroit Health Care Fund

Schedule A: Administrative and Operating Expenses

Administrative Manager's fee*:

Basic	\$411,028	
Dental	88,596	
Vision	43,594	
Prescription	<u>28,164</u>	
TOTAL		\$571,382
Joint delinquency committee collection fee	110,662	
Investment advisory and Management expenses	109,339	
Laborers' National Health and Safety dues	68,921	
Printing and miscellaneous	68,694	
Trustee meetings and Educational Conference expenses	42,069	
Bank service charges	36,110	
Legal service fees	27,636	
ERISA reporting costs	18,565	
Audit fee	17,200	

Telephone costs	16,661
Newsletter printing and distribution	9,250
Trustee and fiduciary liability Insurance and bonding	9,012
Actuarial service	7,000
Participant notices	5,830
Computer programming	4,968
Summary Annual Report costs	3,061
Educational foundation dues	<u>1,000</u>

TOTAL \$1,127,360

*Includes rent, equipment, staffing, regular postage, computer services, etc.

To: All Participants of the
Laborers' Metropolitan Detroit Health Care Fund

Re: **NOTICE OF PRIVACY PRACTICES**

Dear Participant:

This Notice is intended to confirm that the Laborers' Metropolitan Detroit Health Care Fund complies with the Health Insurance Portability and Accountability Act (HIPAA) Privacy Regulations. The law restricts the use and disclosure of the nonpublic "protected health" information of the employee and their dependents (if applicable), with regard to your group health plan benefits. This information generally can only be disclosed by the Fund and its vendors, and your health care provider/s, for payment of claims, treatment of your illness, and for health care operations including administration of your health benefits, as permitted by law and defined in the HIPAA regulations.

For a complete copy of the Fund's Notice of Privacy Policy, please call or write the Fund Office at the address or telephone number listed on this notice.

If you have any questions regarding this information, please contact the Fund Office.

Sincerely,

Board of Trustees
Laborers' Metropolitan Detroit Health Care Fund

TO: ALL PARTICIPANTS IN THE SUPPLEMENT TO MEDICARE PROGRAM

RE: **LABORERS' METROPOLITAN DETROIT HEALTH CARE FUND**

Dear Participant:

We, the Trustees of the Laborers' Metropolitan Detroit Health Care Fund ("Plan"), are writing to inform you of IMPORTANT INFORMATION about how the Medicare Part D Prescription Drug Benefit affects you. As you know, the Part D prescription drug benefit available from Medicare began on January 1, 2006.

Because your prescription drug benefit through the Laborers' Metropolitan Detroit Health Care Fund is not at least equal to or greater than the benefits offered through the Medicare Part D program, you should consider enrolling in the Medicare Part D prescription drug coverage when you are eligible to do so.

Under the new Medicare Part D law, if you have prescription drug coverage that is as good as or better than that available under a Medicare prescription drug plan you will not be penalized with higher premium costs if you later decide to enroll in a Medicare prescription drug plan, unless you allow a 63-day or more gap between coverage under this Plan and Medicare Part D. **You do not have coverage through the Fund that is at least as good as or better than that available through Medicare.**

Because you do not have existing prescription drug coverage that, on average, is as good as Medicare coverage, you will be penalized if you do not enroll in the Medicare Part D coverage

63-Day Rule

You should also know that if you do not enroll in the Medicare prescription drug coverage, you may pay more to enroll in the Medicare prescription drug coverage later. For example, if after your enrollment date, you decide to enroll in the Medicare prescription drug coverage; your monthly premium will go up at least 1% per month for every month after your enrollment date that you did not have that coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what most other people pay. You'll have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until January 1, 2009 or later to enroll.

For More Information

In the event you would like more detailed information about Medicare plans that offer prescription drug coverage, you can look in the "*Medicare & You 2007*" handbook. You should have received a copy of that handbook in the mail from Medicare. You may also be contacted directly by Medicare prescription drug plans. You can also get more information about Medicare prescription drug plans from the Medicare website at www.medicare.gov or your State Health Insurance Assistance Program (see your copy of the "*Medicare & You*" handbook for their telephone number), or by calling 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. Information about this extra help is available from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at www.socialsecurity.gov

Sincerely,

Laborers' Metropolitan Detroit Health Care Fund
Board of Trustees

TO: PLAN PARTICIPANTS OF THE
LABORERS' METROPOLITAN DETROIT HEALTH CARE FUND

RE: **WOMEN'S HEALTH AND CANCER RIGHTS**

Dear Plan Participant:

Federal law requires that the Trustees of your Health and Welfare Fund issue this annual notice in compliance with the Women's and Cancer Rights Act of 1998. Your Health and Welfare Plan already provides the benefits required by this new law. You have a right to this notice, and the Trustees are providing the notice for your information so that you may be assured that you are treated in accordance with federal law if the need arises.

The Federal law requires that all health care plans that provide medical and surgical benefits for mastectomies provide, participants and beneficiaries receiving mastectomy benefits and who elect mastectomy related breast reconstruction with coverage for the following:

- **Reconstruction of the breast on which the mastectomy has been performed.**
- **Surgery and reconstruction of the other breast to produce a symmetrical appearance; and**
- **Prostheses and physical complications of all stages of mastectomy including lymphedemas; in a manner determined in consultation with the attending physician and the patient. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage.**

The Fund has provided coverage for mastectomies for a number of years. As part of this coverage, the Plan also covered the procedures necessary to effect reconstruction of the breast on which the mastectomy was performed, as well as the cost of prostheses and physical complications of all stages of mastectomy, including lymphedemas, as recommended by the attending physician of any patient receiving Plan benefits in connection with the mastectomy and in consultation with the patient. The Plan also covers any surgery and reconstruction of the other breast to achieve a symmetrical appearance.

Please keep this notice with your Summary Plan Description. If you have any questions regarding these federal requirements, please contact the Fund Office.

Sincerely,

Board of Trustees
Laborers' Metropolitan Detroit Health Care Fund

NOTICE OF MATERIAL MODIFICATION

LABORERS' METROPOLITAN DETROIT HEALTH CARE FUND

This is to inform you that the Trustees of the Laborers' Metropolitan Detroit Health Care Fund (the "Plan") have amended the Summary Plan Description ("SPD"). This Notice, known as a Summary of Material Modifications ("SMM") is an amendment to the SPD you received previously. You should keep this SMM with the SPD for future reference.

The members of the Board of Trustees as of June 2009 are as follows:

Employer Trustees:

Charles Wilson
Secretary
Monte Costello Construction
PO Box 7119
Novi, MI 48376

Robert Coppersmith
Michigan Infrastructure &
Transportation Association
P.O. Box 1640
Okemos, MI 48805

William Gruebnaue
Walbridge Aldinger
777 Woodward Ave, Fl 3
Detroit, MI 48226-2521

David Kruse
Kruse Construction Co.
P.O. Box 9
St. Clair Shores, MI 48080

Michael P. Smith
ACG of Michigan
26001 Five Mile Road
Redford, MI 48239

Paul Tantalo
Barton Malow Company
26500 American Drive
Southfield, MI 48034

Employee Trustees:

Bill Bass
Chairman
Laborers' Local 1076
760 Joslyn Avenue
Pontiac, MI 48340

Chris Chwalek
Laborers' District Council
302 South Waverly Road, Suite #8
Lansing, MI 48917

Jason Chwalek
Laborers' Local 1076
760 Joslyn Avenue
Pontiac, MI 48340

Paul Gassel
Laborers' Local 1076
760 Joslyn Avenue
Pontiac, MI 48340

Mark Pulice
Laborers' Local 1191
2161 West Grand Boulevard
Detroit, MI 48208

Bruce Ruedisueli
Laborers' Local 1191
2161 West Grand Boulevard
Detroit, MI 48208