Dear Members, May 9, 2012

This notice is being sent to remind you and your family of the Hour Bank rules and the new rules for reimbursement of deductibles, chemo & radiation treatments and coinsurance payments for members enrolled in the Local 13 Simply Blue Medical Plan as of May 1, 2012.

**Hour Bank Reimbursement**

Your hour bank may be used for reimbursement of out of pocket medical expenses pursuant to Section VII of the Plan which is based upon IRS Publication 502. Generally, to be eligible for reimbursement from your hour bank, you must have an amount in excess of the minimum balance required (one year of eligibility) in your hour bank for the hour bank you selected as of May 1st of each year. (There are 2 exceptions to this rule which will be addressed later).

**The minimum balance required for each Hour Bank is as follows:**

- **A-Bank Participants:** For the current plan year beginning May 1, 2012 you must have $11,919.60 for family level participants and $9,979.20 for single level participants. These minimum balance amounts will remain in effect until May 1, 2013.

- **B-Bank Participants:** For the current plan year beginning May 1, 2012 you must have $2,910.60. This minimum amount will remain in effect until May 1, 2013.

- **C-Bank Participants:** For the current plan year beginning May 1, 2012 you must have $4,490.64. This minimum amount will remain in effect until May 1, 2013.

Only the amount that is in excess of the minimum balance required for Hour Bank eligibility, as of May 1st, is available for reimbursement of medical expenses pursuant to Section VII of the Plan.
Exceptions:

1. The amount in your hour bank in excess of six months of your required minimum balance may be used for orthodontia care reimbursement only.
2. The amount in your hour bank in excess of six months of your required minimum balance may be used for reimbursement of coinsurance costs only if incurred under the Local 13 Simply Blue Medical Plan.

The new Simply Blue Medical Plan will require deductible and co-insurance payments to be made by you, the participant, for selected services during the May 1, 2012 – May 1, 2013 Plan year. Each participant, spouse and dependent will be required to pay up to a $250 deductible for certain selected services. (Please read the highlighted Medical Benefit Summary included in your recently mailed insurance packet for more information on these services.) This deductible is capped each plan year at $750 for family level participants and $250 for single participants. The co-insurance portion is also required to be paid by each participant, spouse and dependent for the certain selected services. This amount is capped at $1500 per plan year for family participants and $500 for single participants.

**UA Local 13 Simply Blue Plan Reimbursement Policy**

The Joint Board of Trustees has decided, in an attempt to ease the transition to this new deductible and co-insurance platform, to offer the following reimbursement policies for the participants in the Simply Blue Plan effective May 1, 2012 – May 1, 2013:

- **Deductible Reimbursement**: The $250 deductible requirement will be fully funded and reimbursed by the Local 13 Insurance Plan for the current Plan year which runs from May 1, 2012 – May 1, 2013. Any request for deductible reimbursement must be submitted on a Deductible Reimbursement Claim Form provided by the UA Local 13 Fund Office along with the Excellus Monthly Health Statement which will list the deductible to be paid by you. Submission of these documents may be made at any time during the Plan year but not later than July 31, or 92 days, after the end of the Plan year in which the services were incurred.

- **Co-Insurance Reimbursement**: The $500 co-insurance portion of the Local 13 Simply Blue Plan for which you, the participant, are responsible can be reimbursed from your hour bank. Any request for co-insurance reimbursement must be submitted on a Co-Insurance Reimbursement Claim Form provided by the UA Local 13 Fund Office along with the Excellus Monthly Health Statement and original proof of payment.
The co-insurance reimbursement is for current UA Local 13 Simply Blue Plan participants only. The participant must have an hour bank balance in excess of six months’ worth of the required hours to be eligible for this reimbursement.

- **Chemotherapy and Radiation Reimbursement:** The Local 13 Insurance Plan will fully fund and reimburse the copay expenses associated with the actual treatments of chemotherapy and radiation only. Under the new Simply Blue Plan, each treatment will demand a copayment at the time of service. Any request for chemotherapy/radiation copay reimbursement must be submitted on a Chemotherapy/Radiation Reimbursement Claim Form provided by the UA Local 13 Fund Office. You may submit this form along with proof of payment to the Fund Office using the guidelines listed in the upcoming amended Summary Plan Description (SPD) which will be mailed to all participants in the near future.

Any B-Bank and C-Bank participants may continue to submit claims to their Hour Banks for out of pocket medical expenses, in accordance with Section VII of the Local 13 & Employers Group Insurance Plan.

If you have any questions or concerns or if you would simply like to know what your individual May 1, 2012 hour bank “snapshot” balance is, please do not hesitate to contact the UA Local 13 Fund Office for assistance.

The entire fund office staff is dedicated to providing you and your family with superior service and will work diligently to answer your questions or explain the plan documents to you. If we cannot answer or solve your problem at the time of call, we will investigate the issue and provide you with our findings or direct you to the proper authority as soon as possible.

**Please keep this letter in a safe place for use as a reference at a later time.**

Sincerely,

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