



**Welfare Fund
of Local No. One, I.A.T.S.E.**

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**SUMMARY OF MATERIAL MODIFICATIONS TO
THE WELFARE FUND OF LOCAL NO. ONE, I.A.T.S.E.**

To: All Participants in The Welfare Fund of Local No. One, I.A.T.S.E.

From: Scott Cool, Director of Fund Administration

Date: May 7, 2010

Re: **Changes to The Welfare Fund of Local No. One, I.A.T.S.E.**

This document is a Summary of Material Modifications (“SMM”) intended to notify you of important changes made to the Welfare Fund of Local No. One, I.A.T.S.E. (the “Plan”) effective July 1, 2010. You should take the time to read this SMM carefully and keep it with the copy of the Summary Plan Description (“SPD”) that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding these changes to the Plan, please contact the Fund Office at 320 West 46th Street, 6th Floor, New York, New York, 10036; or by telephone from 9 a.m. to 5 p.m. at (212) 247-5225.

In light of the ever-increasing cost of providing health insurance, and in an effort to protect the long-term viability of the Plan and its ability to provide health insurance benefits to our participants, it is periodically necessary to make certain adjustments. On April 7, 2010, the Board of Trustees adopted the following modifications to the Plan:

1. Effective July 1, 2010, the *quarterly* self-pay rates for medical coverage under the Plan for eligible active Employees will be increased as follows:

Class	Coverage	Quarterly Self-Pay Rate In Effect From 7/01/09 to 6/30/10	Quarterly Self-Pay Rates In Effect Starting 7/01/10
Tier I	Single Participant	\$ 75.00	\$ 90.00
	Family (one dependent)	\$ 105.00	\$ 150.00
	Family (more than one dependent)	\$ 135.00	\$ 175.00
Tier II	Single Participant	\$ 105.00	\$ 135.00
	Family (one dependent)	\$ 150.00	\$ 210.00
	Family (more than one dependent)	\$ 195.00	\$ 255.00
Tier III	Single Participant	\$ 210.00	\$ 250.00
	Family (one dependent)	\$ 300.00	\$ 350.00
	Family (more than one dependent)	\$ 375.00	\$ 425.00
Buy-up from Tier 1 to Tier 3*	Single Participant	\$ 1,185.48	\$ 1,225.00
	Family (one dependent)	\$ 2,225.28	\$ 2,275.00
	Family (more than one dependent)	\$ 3,188.70	\$ 3,239.00
Buy-up from Tier 2 to Tier 3*	Single Participant	\$ 300.00	\$ 400.00
	Family (one dependent)	\$ 540.00	\$ 650.00
	Family (more than one dependent)	\$ 765.00	\$ 860.00

* includes the self-pay premium for Tier 3 coverage

2. Effective July 1, 2010, the *monthly* self-pay rates for retiree medical coverage under the Plan for eligible retirees will be increased as follows:

Class	Coverage	Monthly Self-Pay Rate In Effect From 7/01/09 to 6/30/10	Monthly Self-Pay Rates In Effect Starting 7/01/10
Medicare Eligible	Single Retiree	\$ 25.00	\$ 25.00
	Family (one dependent)	\$ 50.00	\$ 50.00
	Family (more than one dependent)	\$ 75.00	\$ 75.00
Participants who Retired PRIOR to July 1, 2008			
Age 60 through Age 64	Single Retiree	\$ 25.00	\$ 33.00
	Family (one dependent)	\$ 50.00	\$ 67.00
	Family (more than one dependent)	\$ 75.00	\$ 100.00
Age Under 60	Single Retiree	\$ 75.00	\$ 92.00
	Family (one dependent)	\$ 110.00	\$ 150.00
	Family (more than one dependent)	\$ 150.00	\$ 200.00
Participants who Retired ON or AFTER July 1, 2008			
Age 60 through Age 64	Single Retiree	\$ 75.00	\$ 83.00
	Family (one dependent)	\$ 135.00	\$ 167.00
	Family (more than one dependent)	\$ 200.00	\$ 233.00
Age Under 60	Single Retiree	\$ 150.00	\$ 150.00
	Family (one dependent)	\$ 275.00	\$ 275.00
	Family (more than one dependent)	\$ 400.00	\$ 400.00

3. The Plan changes summarized below were selected by the Trustees based on the expectation that they will help reduce Plan expenses by creating incentives that encourage our participants to make better choices as healthcare consumers. Accordingly, effective July 1, 2010, the Plan's coverage for hospital emergency room and specialist office visit benefits will be changed as follows:

TIER 1

Plan Feature	Prior to 7/1/10	Starting 7/1/10
Hospital Emergency Room <i>(Note: Copays are waived if patient is admitted to the hospital.)</i>	<u>In-Network</u> \$100 per visit copay, then 70% after plan deductible	<u>In-Network</u> \$150 per visit copay, then 70% after plan deductible
	<u>Out-of-Network</u> \$100 per visit deductible, then 50% after plan deductible	<u>Out-of-Network</u> \$150 per visit deductible, then 50% after plan deductible
Specialist Office Visit	<u>In-Network</u> \$50 per visit copay	<u>In-Network</u> \$60 per visit copay
	<u>Out-of-Network</u> \$50 per visit deductible, then 50% after plan deductible	<u>Out-of-Network</u> \$60 per visit deductible, then 50% after plan deductible

TIER 2

Plan Feature	Prior to 7/1/10	Starting 7/1/10
Hospital Emergency Room <i>(Note: Copays are waived if patient is admitted to the hospital.)</i>	<u>In-Network</u> \$75 per visit copay, then 80% after plan deductible <u>Out-of-Network</u> \$75 per visit deductible, then 60% after plan deductible	<u>In-Network</u> \$150 per visit copay, then 80% after plan deductible <u>Out-of-Network</u> \$150 per visit deductible, then 60% after plan deductible
Specialist Office Visit	<u>In-Network</u> \$35 per visit copay <u>Out-of-Network</u> \$35 per visit deductible, then 60% after plan deductible	<u>In-Network</u> \$45 per visit copay <u>Out-of-Network</u> \$45 per visit deductible, then 50% after plan deductible

TIER 3

Plan Feature	Prior to 7/1/10	Starting 7/1/10
Hospital Emergency Room <i>(Note: Copays are waived if patient is admitted to the hospital.)</i>	<u>In-Network</u> \$50 per visit copay, then 100% after plan deductible <u>Out-of-Network</u> \$50 per visit deductible, then 75% after plan deductible	<u>In-Network</u> \$150 per visit copay, then 100% after plan deductible <u>Out-of-Network</u> \$150 per visit deductible, then 75% after plan deductible
Specialist Office Visit	<u>In-Network</u> \$25 per visit copay <u>Out-of-Network</u> 75% after plan deductible	<u>In-Network</u> \$35 per visit copay <u>Out-of-Network</u> 75% after plan deductible

If you have any additional questions regarding these changes, or any aspect of your benefits under the Plan, please contact the Fund Office at (212)247-5225.

This SMM is intended to provide you with an easy-to-understand description of certain changes to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this SMM and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.