

# MICHIANA AREA ELECTRICAL WORKERS' FRINGE BENEFIT FUNDS

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Michiana Area Electrical Workers' Health and Welfare Fund  
Michiana Area Electrical Workers' Pension Fund  
Michiana Area Electrical Workers' Money Purchase Plan

Managed for the Trustees by:  
TIC INTERNATIONAL CORPORATION

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June, 2012

TO: ALL PARTICIPANTS OF THE MICHIANA AREA ELECTRICAL WORKERS'  
HEALTH & WELFARE FUND AND MONEY PURCHASE PLAN

RE: ALLOCATION OF CONTRIBUTIONS

Dear Participant:

The funding of health care claims continues to plague health care plans and employers throughout the country, including our Fund. As you know, the Michiana Area Electrical Workers' Health and Welfare Fund is self-funded. The Fund pays 100% of the approved and processed claims from the Fund assets. The Fund relies almost exclusively on contributions generated from hours worked to provide benefits to participants and their dependents.

The Fund has experienced increased benefit costs and significant reduction in hours / contributions for some time.

## **Hourly Contribution Rate**

Because of these increased costs and reduction in work hours, changes are required by both the contributing employers and the participants. Effective June 3, 2012 the Health & Welfare contribution will increase by fifty cents (\$0.50) per hour.

## **Eligibility Requirement**

The current eligibility requirement of one hundred twenty (120) hours per month will be increased to one hundred thirty (130) hours per month effective with the work month of June 2012.

## **Self-Payment Rates**

A new category of self-payment rates will be implemented for anyone who retires after January 1, 2013. This category of self-payments will have higher self-payment rates than the participants who retired prior to January 1, 2013. If you plan on retiring on or after January 1, 2013, please contact the Fund Office for the rate information.

In addition, self-payment rates will increase for all categories effective August 1, 2012.

Listed below are the rate increases:

<b>If your current monthly rate is</b>	<b>Your new rate is:</b>
\$79.00	\$99.00
119.00	148.00
158.00	198.00
198.00	247.00
238.00	395.00
277.00	346.00
317.00	445.00
396.00	494.00
475.00	593.00
792.00	988.00

### **Supplemental Benefit Account**

In addition, all of the contributions currently being remitted to the Supplement Benefit Account will cease and the contribution will be re-directed to the Health and Welfare Fund. Participants that have SBA balances will maintain those balances and can continue to utilize the balance to pay eligible expenses.

### **Money Purchase Plan**

Forty-one cents (\$0.41) of the Money Purchase Plan employer contributions will be re-directed to the Health and Welfare Fund for hours worked during the July 2012 work month.

The four cents (\$0.04) per hour administrative fee will be temporarily suspended effective with the June 2012 work month.

***The changes to the Supplemental Benefit Account and the Money Purchase Plan are Temporary Changes that will be reviewed by the Trustees in the first quarter of 2013.***

If you have any questions regarding the above, please do not hesitate to contact the Fund Office.

Sincerely,

Michiana Area Electrical Workers  
Health and Welfare Fund and  
Money Purchase Plan  
Board of Trustees