

AFL HOTEL AND RESTAURANT WORKERS TRUST FUNDS

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HEALTH & WELFARE • PENSION • TRAINING

December 20, 2005

TO: **ALL HOTEL INDUSTRY ACTIVE AND RETIRED PARTICIPANTS**
AFL Hotel & Restaurant Workers Health and Welfare Trust Fund

FROM: Board of Trustees

SUBJECT: **COMPREHENSIVE MEDICAL PLAN, KAISER PLAN, COBRA AND
SELF-PAYMENT PROGRAM RATES AND RETIREE CO-PAYMENTS**

I. KAISER PLAN CHANGES

Effective January 1, 2006, the Kaiser Plan will change as follows:

A. Medical

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|---|--------------------------------|
| 1. Office visits | \$14.00 per visit |
| 2. Outpatient lab, x-ray, and diagnostic testing procedures | \$14.00 per department per day |

3. Physical, occupational, and speech therapy

There will no longer be a two (2)-month limit on these therapies. Only short-term therapy is covered. As determined by a Kaiser Permanente physician, the therapy must be necessary to sufficiently restore nerve and/or muscle function that was lost or impaired due to an illness or injury. Nerve and/or muscle function is sufficient when one of the following first occurs: i) nerve and/or muscle function is the level of the average healthy person of the same age, ii) further significant, measurable functional gain is unlikely, or iii) the frequency and duration of therapy for a specific medical condition has been reached, as specified in Kaiser Permanente Hawaii's Clinical Practice Guidelines.

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|----------------------------------|--|
| 4. Serious mental illness parity | The serious mental illness (parity) benefit has been expanded to include obsessive compulsive disorder, dissociative, disorder, delusional disorder, and major depression. (Effective immediately) |
| 5. Live in Hawaii | Participants and their family dependents must live in the Hawaii service area to enroll (or continue to be enrolled) in a Kaiser Permanente plan. |

II. COMPREHENSIVE MEDICAL PLAN CHANGES

Effective January 1, 2006, the \$100 Annual Deductible for Other Services is eliminated. *(Applies to Actives and Retirees not eligible for Medicare).*

Effective January 1, 2006, the maximum the Comprehensive Medical Plan will pay for services received during a Calendar Year is increased to \$450,000 per person. This change applies to Actives only. **(Does not apply to Retirees)**.

III. COBRA CONTINUATION OF COVERAGE

Effective January 1, 2006, the COBRA coverage and rates offered by the Trust Fund are as follows:

	<u>Effective January 1, 2006</u>
A. <u>ACTIVES (Hotel Industry)</u> – Full Coverage ¹	
Indemnity with HDS Dental	\$438.19
Kaiser with HDS Dental	\$466.98
Indemnity with DCCH Dental	\$420.96
Kaiser with DCCH Dental	\$449.75

¹ Full coverage includes medical, prescription drug, dental, vision, and death benefits.

	<u>Effective January 1, 2006</u>
B. <u>RETIREEES</u>	
1. Medical & Prescription Drug ¹	
Retirees under 65:	
Indemnity Medical & Drug (per individual)	\$360.49
Kaiser Medical & Drug (per individual)	\$275.34
Retirees 65 and older:	
Indemnity Medical & Drug (per individual)	\$187.04
Kaiser Senior Advantage (per individual)	\$185.81

2.	Dental Benefit ²	
	HDS Dental (composite)	\$ 31.38
	DCCH Dental (composite)	\$ 22.51
3.	Vision Benefit ³	
	Indemnity (composite)	\$ 3.33

¹ Retirees with less than 15 years of credited service.

² Retirees with 15 or more years but less than 20 years of credited service.

³ Retirees with 20 or more years of credited service.

IV. STUDENT COVERAGE SELF-PAYMENT PROGRAM

		Effective <u>January 1, 2006</u>
Medical and Prescription Drug		
Indemnity		\$200.23
Kaiser		\$224.27

V. EMPLOYEE SELF-PAYMENT PROGRAM

		Effective <u>January 1, 2006</u>
Indemnity Medical and Prescription Drug		
Single		\$183.20
Family		\$320.60

VI. CO-PAYMENTS FOR RETIREES WITH LESS THAN FIVE (5) YEARS OF CREDITED SERVICE

		Effective <u>January 1, 2006</u>
Retiree ONLY		
Medical and Prescription Drug		\$ 98.63
Retiree with dependent(s)		
Medical and Prescription Drug		\$295.89

NOTE: Retirees with less than five (5) years of credited service pay 50% of the cost for medical and prescription drug and retiree's spouse and dependent children pay 100% of the cost for medical and prescription drug.