

November 15, 2010

**TO: All Active Participants and OTS Retirees
Hawaii Teamsters Health & Welfare Trust Fund**

FROM: Board of Trustees

**SUBJECT: PATIENT PROTECTION AND AFFORDABLE CARE ACT
NATIONAL HEALTH CARE REFORM**

I. EXTENSION OF DEPENDENT COVERAGE TO AGE 26

Effective January 1, 2011, adult child dependents who are not eligible for other employer-sponsored health plan coverage other than a group health plan of a parent are eligible for dependent coverage up to age 26. This extension of coverage is available even if the child does not live with his or her parents, is not a dependent on a parent's tax return, or is no longer a student. For this purpose, a child includes the Participant's natural child, stepchild, foster child or an adopted child. The new policy applies to both married and unmarried children, although a child's own spouse and child do not qualify for coverage. Individuals whose coverage ended, or who were denied coverage (or were not eligible for coverage), because the availability of dependent coverage of children ended before attainment of age 26 and who are not eligible for other employer-sponsored health plan coverage other than a group health plan of a parent will be given a special enrollment opportunity to enroll in the Hawaii Teamsters Health and Welfare Trust. **Complete the enclosed Declaration of Adult Dependent Status Form and return to your Trust Office. Upon receipt of all required documentation, enrollment will be effective January 1, 2011. Please refer to the attachment for eligibility requirements.**

II. GRANDFATHERED HEALTH PLAN

The Hawaii Teamsters Health & Welfare Trust Fund believes this plan is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when the law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health

services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits and the extension of dependent coverage to age 26.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator at (808) 523-0199. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

Should you have any questions regarding the above changes or need assistance with your coverage, please contact the Trust Fund Office (808) 523-0199, or for neighbor islands, call toll free at 1-866-772-8989.