Office Location: 4208 W. Partridge Way, Unit 3 • Peoria, IL 61615-2467
Mailing Address: P. O. Box 9090 • Peoria, IL 61612-9090
Toll Free: 1-866-692-0860 • **Phone:** 309-692-0860 • **Fax:** 309-692-0862

June 2010

Dear Plan Participants:

We are pleased to announce that we are improving coverage of mental health and substance abuse treatment in compliance with the Mental Health Parity and Addiction Equity Act of 2008. These changes are effective July 1, 2010.

Mental health and substance abuse benefits, as of July 1, 2010:

- Are subject to the same coinsurance or copayment levels you pay for other inpatient and outpatient medical and surgical care,
- Are no longer subject to inpatient day limits, outpatient visit limits, or separate calendar year maximums,
- Are counted toward your calendar year out-of-pocket maximum, and
- Are subject to the $250 reduction in benefits for failure to preauthorize inpatient treatment. Outpatient treatment is no longer subject to preauthorization.

For participants in the BCBSIL or HFN Plans, you should continue to call the Member Assistance Program (MAP) for preauthorization of inpatient mental health and substance abuse treatment. Keep in mind that you may still receive five free counseling sessions through the MAP, and you will also receive assistance in locating a network provider.

For participants in the Health Alliance Plan, you should continue to call Health Alliance for preauthorization of inpatient mental health and substance abuse treatment.

Under these improved benefits:

- You will no longer be required to preauthorize outpatient mental health and substance abuse treatment, and
- Your failure to preauthorize inpatient benefits will result in a $250 reduction in benefits. Previously, mental health and substance abuse benefits were denied when treatment was not preauthorized.

Please review the attached Schedule of Benefits that reflects the changes to the Plan's mental health and substance abuse benefits.

We hope that this expanded coverage will contribute to continuing good health for you and your family. Please call the Fund Office if you have any questions about these new benefits.

Sincerely,
Board of Trustees

This announcement contains only highlights of certain features of the North Central Illinois Laborers' Health and Welfare Fund. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. The Trustees reserve the right to amend, modify, or terminate the Plan at any time.

The North Central Illinois Laborers' Health and Welfare Fund ("Fund") believes that it 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 that law was enacted. Being a grandfathered health plan means that the Fund 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. The Fund will notify you when certain other consumer protections are adopted.

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 Lynn Marks, Administrative Manager at (309) 692-0860. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (866) 444-3272 or *www.dol.gov/ebsa/healthreform*. This Web site has a table summarizing which protections do and do not apply to grandfathered health plans.