

SOUTHERN CALIFORNIA PIPE TRADES HEALTH AND WELFARE FUND PENSIONERS & SURVIVING SPOUSES PLAN SUPPLEMENT

TO: All Participants
FROM: Board of Trustees
DATE: November 2006
RE: Changes in 2007 Monthly Co-Payments

**PLEASE INSERT THIS PINK-COLORED NOTICE BEHIND
TAB 2 OF YOUR SUMMARY PLAN DESCRIPTION BOOKLET**

Effective January 1, 2007 through December 31, 2007, your monthly co-payment will change. This change is necessary to maintain the 50% subsidy, so that Pensioners pay 50% of the cost of their coverage; Active Members pay the rest.

Your payment is based on your pension credits, your age at the time of initial retirement, your current marital status (as reported to us), and anticipated Medicare status. If you are retired under a Disability Pension, we have assumed that you had attained the Normal Retirement Age of 65 when you retired rather than using your actual retirement age.

To determine your new monthly Co-Payment:

(a) Identify your scoring

Your score is determined by adding your age plus your years of pension credit at the time of initial retirement. Examples of how a score might be counted:

Example A	
Retirement Age	= 65
Pension Credits	= 35
Total Score	= 100

Example B	
Retirement Age	= 60
Pension Credits	= 25
Total Score	= 85

(b) Identify your category

Category	Description
1 MM	Member (Pensioner) is Medicare-eligible; No Spouse is covered under the Plan
2 MMSM	Member (Pensioner) is Medicare-eligible; covered Spouse is Medicare-eligible
3 MMSN	Member (Pensioner) is Medicare-eligible; covered Spouse is Not Medicare-eligible
4 MN	Member (Pensioner) is Not Medicare-eligible; No Spouse is covered under the Plan
5 MNSM	Member (Pensioner) is Not Medicare-eligible; covered Spouse is Medicare-eligible
6 MNSN	Member (Pensioner) is Not Medicare-eligible; covered Spouse is Not Medicare-eligible

(c) Use your score and category to determine your new monthly co-payment rate.

Pensioner Co-Payment Rates Effective January 1, 2007 through December 31, 2007

Category	Range Class						
	A	B	C	D	E	F	G
	100 +	95 - 99	90 - 94	85 - 89	80 - 84	75 - 79	< 75
MM	\$ 100	\$ 100	\$ 100	\$ 100	\$ 114	\$ 133	\$ 154
MMSM	\$ 100	\$ 100	\$ 122	\$ 149	\$ 186	\$ 216	\$ 250
MMSN	\$ 141	\$ 198	\$ 255	\$ 311	\$ 389	\$ 453	\$ 523
MN	\$ 252	\$ 252	\$ 252	\$ 271	\$ 338	\$ 394	\$ 455
MNSM	\$ 252	\$ 252	\$ 255	\$ 311	\$ 389	\$ 453	\$ 523
MNSN	\$ 252	\$ 252	\$ 296	\$ 362	\$ 452	\$ 526	\$ 609

The monthly co-payments for the covered surviving spouses will remain at **\$140.00** per month. This amount is subject to increase in the future.