

Virg Bernero, Mayor

FINANCE DEPARTMENT

124 W. Michigan Avenue, 8th floor Lansing, Michigan 48933-1603 (517) 483-4508 http://www.lansingmi.gov/finance

TO:

ALL RETIRED MEMBERS OF TEAMSTERS LOCAL 580

Supervisory and CTP retired February 2004 or after.

FROM:

Mark Colby

DATE:

March 29, 2010

RE:

BENEFIT CHANGES

The purpose of this memo is to inform you of changes in insurance benefits.

As a Teamsters 580 retiree retiring February of 2004 or after your health benefits are the same as active teamsters 580 members and are changing as a result as recently negotiated contract.

The following items have changed as a result of the Teamsters 580 February 1, 2007 thru January 31,2012 contract:

MEDICAL INSURANCE CHANGES:

Effective May 1, 2010

Blue Care Network will no longer be an option to retirees or active employee

Plan changes in both Blue Cross Community Blue PPO and Physician's Health Plan include:

\$20 Office/Urgent Care Visit co-pay

\$50 Emergency room co-pay

Mail order prescription co-pay of 90 days for 2 co-pays

Retail of 90 days for 2 co-pays

Mandatory Generic prescription fill that means that unless prior approval is received from the carrier by your physician, the member must accept the generic brand or pay the brand name co-pay PLUS the difference in cost between the generic and brand name drug cost.

Prescription co-pays will change to:

BCBS PPO

\$10 generic, \$20 name brand, \$40 non-formulary drugs

PHP

\$15 generic, \$25 name brand, \$50 non-formulary drugs

To access formulary lists visit the web sites www.bcbsm.com or www.phpmm.com.

City Teamsters 580 retirees that are married to City retirees are entitled to one contract only and are not entitled to opt out payments.

Teamster 580 Retirees will participate in a premium share beginning 03/31/2010. The monthly maximum amounts are as follows:

BCBS PPO Single \$16.66

Double \$41.66

Family \$54.16

PHP

Single \$16.66

Double \$41.66

Family \$54.16

The contract does put a cap on the amount of premium share a retiree will pay. The retiree pays the <u>lower</u> of the above amount, for the coverage selected, or 1% of their monthly pension benefit.

If 1% of your monthly pension benefit is less that these amounts, for the coverage you have selected, then we have deducted this lower amount.

If you have questions please feel free to call Esther Croff at (517) 483-4518 or Mark Colby at (517) 483-4517.

Please be advised that this is merely a summary of your changes related to insurances. This summary does not alter or change the provisions of the Teamsters - Local 580 Bargaining Agreement or City policies.