

Benefits Basket

Food for thought from the UFCW Unions & Employers Midwest Benefits Funds

Winter/Spring, 2000

The HIPAA Law

Good News for People with Pre-Existing Conditions

Congress passed the Health Insurance Portability and Accounting Act (HIPAA) to help people maintain medical coverage when they move from job to job. All provisions of the law were in effect for this Fund as of December 1, 1999.

The law provides that the longest allowable time period that a newly covered employee-member or dependent may be subjected to a pre-existing limitation is 12 months. The 12-month pre-existing limitation is reduced for each month that the person had insurance coverage from another source within 63 days prior to commencing work with an employer participating in this Fund.

Further, under HIPAA, pregnancy is never considered a pre-existing condition. Nor may a pre-existing limitation be imposed on a newborn or adopted child who is enrolled (notice given to the Benefits Fund Office) within 30 days of the birth, adoption or placement for adoption.

Changes in UFCW Midwest Plan Rules

The Plan limits benefits to 50% of charges up to a maximum of \$5,000 if the medical condition was pre-existing at the time the person became covered under the Plan. Prior to December 1, 1999, the limitation was not applied to the employee-member after 24 months of continuous coverage; the limitation continued, however, for a spouse or child.

Now, to comply with the HIPAA law, the Trustees of the Plan have made the following changes as of December 1, 1999:

- Pregnancy is not a pre-existing condition.
- Newborn or adopted children enrolled within 30 days of their date of birth or adoption will not be considered to have a pre-existing condition.
- The pre-existing provision does not limit benefit payments once the employee-member or a family member has been covered for 12 continuous months.
- The 12-month period during which the pre-existing condition limitation is imposed will be reduced by one month for each one month that the claimant had insurance or group plan coverage from another source. Such coverage must have been in effect within 63 days of commencing work for the UFCW Midwest Fund participating employer.

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Who to Call?

Sometimes the Local Unions get calls that we should have received and sometimes we get calls that would be better directed to the Union.

Your Benefits Fund Office handles all matters relating to eligibility and payment of health and pension benefits. These matters can be simple or they can be quite complex. The UFCW Benefits Funds (at the address and telephone numbers shown on the back page) is where such questions should be addressed.

Your Local Union handles all other matters related to your union contract—hours, wages, and working conditions. Questions regarding these and similar issues are best addressed to the business representative or office of your UFCW Local Union.

Look Inside For . . .

Moving Away? Take Your Pension Credit with You

What's the Status of Your College Student?

RPX Drug Program—Some Drugs Require Pre-Approval

Occupational Therapy can do More than Just Get You Back to Work

Protecting Your Pension—the "Pension Benefit Guarantee Corporation"



Reciprocity—Taking

Your Pension Credit with You

HIPPA

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The people that these changes will have the greatest effect on are those who had received the maximum \$5,000 benefit under the old Plan rules. If you or a family member have previously been denied benefits because the maximum benefit had been paid for a pre-existing condition, in most cases you may now submit claims for treatment received on or after December 1, 1999.

Please call our Customer Service Center at extension 7180 with any questions you might have.

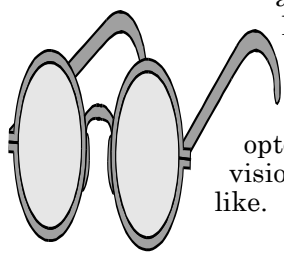
Under most circumstances, you must work at least five years in covered employment under this UFCW Pension Fund in order to earn any pension benefit. But if you only work, say, three years in this Fund and two or more years at another UFCW fund (perhaps elsewhere in the country), the years of service can be combined to determine if you are eligible for a pension. This concept is known as "reciprocity." There are currently fifteen "reciprocal" funds that recognize reciprocal service from this Fund.

Of course, you only receive pension benefits from each Fund based on the period of time you worked there. For example, if you were in this Fund for three years and another fund for eight years, we will pay you a pension based on three years of credited service (the other fund will pay you for eight years of service based on their pension formula). But compare this with what would happen if you were covered by this Fund for three years and then left without earning any service in any other UFCW fund. There would be no pension from this Fund because you didn't meet the five-year vesting requirement.

If you need to relocate before you have attained vested status under this Plan, please contact the Pension Department to determine if there is a reciprocal fund in your new location.

The Vision Benefit

You and covered family members are each entitled to an annual vision benefit of \$150 with no deductible required. This benefit pays for routine eye examinations, glasses and contact lenses. You may use any ophthalmologist, optometrist or vision center you like.



If you use an ophthalmologist (a medical doctor who specializes in the eye), you will receive a discounted charge if you use one who participates in the BlueCross BlueShield PPO.

Vision centers at the major retail stores, such as Sears, JC Penny, Marshall Field, Carson Pirie Scott and Montgomery Ward, also offer BlueCross BlueShield PPO members a discounted fee.

A new \$150 annual allowance for each covered family member began on January 1, 2000.

Keep us Advised of Your Student's Status

If you work enough hours to maintain dependent coverage, your Health Benefits Plan covers your unmarried children who live with you until their 19th birthday. However, if your child is a full-time student (in college or a vocational school), his or her coverage will be continued until age 23 when enrolled in school.

Please provide the Benefits Fund Office with proof of student status for each semester or quarter that your child is enrolled. Coverage will end at the beginning of any term if there is no full-time re-enrollment.

If your student drops out or attains age 23, remember that continuation coverage is available to them under the law referred to as "COBRA." You or the child must advise us when student status is lost or age 23 is reached.

Reminder About the Women's Health and Cancer Act

The federal government asks that health plans remind plan participants about their rights under the Women's Health and Cancer Rights Act. Covered individuals are entitled to medical benefits for breast cancer including mastectomy, breast reconstruction, reconstruction of the other breast to produce a symmetrical appearance, and prostheses and treatment of physical complications in all stages of treatment.



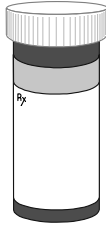
If heartburn disturbs your sleep, try sleeping on your left side instead of on your back or right side. Left-sided sleeping makes stomach acid less likely to flow upward into the esophagus and cause heartburn.

*Consumer Reports on Health,
December, 1999*



Prescription Drugs and the RPX Drug Program

- ◆ Drug costs continue to increase for both the Fund and the public. You can save your family and your health plan money when a generic drug is used. Be sure to ask your doctor or pharmacist if a generic equivalent exists for your medication. For example, Zantac, a widely used drug for ulcers and similar conditions, is now available in generic form.
- ◆ Some drugs require pre-approval before they may be charged to the Fund by your pharmacy. These currently include:
 - ✓ Viagra
 - ✓ drugs used to treat attention deficit disorders or migraines
 - ✓ injectable drugs (except insulin) such as Lupron,



Avonex, Neupogen and Epopgen

- ◆ Some pharmacies that participate in the RPX Drug Program also employ UFCW union members. These include Dominick's, Eagle, Cub, Kroger, Turner Prescription (Galesburg), Towne and Kirk Pharmacies (Christopher), Ashmann Prescription (Collinsville), Washington Drugs (Gary), Camp Drug Store (Wood River), Consumer Prescription (Fond du Lac), Moroni Drugs (Herrin) and Family Drugs (Carterville).

Contact the Benefits Fund Office if you need information on the RPX Prescription Drug Program or on locating a participating pharmacy.

Free Cancer Screening Coming in March

Courtesy of Dominick's, Resurrection Health Care and Roche Pharmaceuticals

March is Colorectal Cancer Awareness Month. In conjunction with Dominick's Fresh Stores and Roche Pharmaceuticals, free colorectal cancer screening kits will be distributed on a citywide basis. This important screening is recommended for men and women over the age of 50.

Watch your newspapers for more information. Quantities are limited.

Occupational Therapy—What is it? Is it Covered?

Occupational therapy sounds like something a person receives to help them return to work after an injury. But that is only part of what occupational therapy (or "OT") is. Occupational therapists help people achieve higher levels of all types of functional independence that is lost due to an injury or a medical condition such as a stroke. This might include

simple tasks such as reaching up into cabinets or closing a zipper or complex work or home skills.

The staff at the Rehabilitation Institute of Chicago has created a kitchen, a laundry room and a bedroom—and they have an actual Chrysler sedan on the 12th floor. They use these and other settings to

help patients begin the long but hopefully successful road back to independence. Many other facilities and hospitals have OT departments as well.

Your health plan includes benefits for occupational therapy—up to \$2,200 per year.

The Pension Benefit Guarantee Corporation

Your pension is very secure!!!

The Pension Fund's investments are well diversified, and stock market gains are not taken into consideration until a period of time has passed. That way, if there is a stock market drop, pension benefit formulas are not affected. Also, the Fund's actuary uses various conservative measures and safety margins when analyzing the Fund.

Still, federal law requires that we participate in the pension insurance

program. We pay premiums every year to the "Pension Benefit Guarantee Corporation" (PBGC), a federal agency that can take control of a pension fund should there be insufficient assets to pay benefits.

The PBGC insures the retirement incomes of about 42 million American workers—one of every three working persons in more than 44,000 defined benefit pension funds.

PBGC has taken control of the pensions of nearly 500,000 workers

and retirees who were covered by 2,700 terminated pension plans. Nearly half of these people worked in major companies, such as Continental Steel, Pan American World Airways, Eastern Air Lines, Ampex, Western Union and many others.

42 million American workers can rest assured that they have a guaranteed pension for life even if their employer goes out of business or a pension fund has financial difficulties.

We don't feel that you will ever need the protection provided by the PBGC. But it's nice to know it's there!

United Food and Commercial Workers Unions and Employers Midwest Health Benefits and Pension Funds

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FUND ADMINISTRATOR.....Daniel W. Ryan

EDITOR Margi Devoe

Need to contact the Benefits Fund Office?

Call us 1-847-384-7000 ♦ 1-800-621-5133 ♦ TDD 1-847-384-0199

FAX us 1-847-384-0197

Write us 1300 Higgins Rd., Suite 300, Park Ridge, IL 60068-5713

Some readers are not covered under the pension plan—particularly, meatcutters in the large chain and small, independent stores. Call the Benefits Fund Office if you do not know whether or not you are covered under the pension plan.

United Food and Commercial Workers
Unions and Employers Midwest
Health Benefits and Pension Funds
1300 Higgins Road, Suite 300
Park Ridge, Illinois 60068-5713