

# SOUTHWESTERN TEAMSTERS SECURITY FUND

Administrator:  
Southwest Service Administrators, Inc.  
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## IMPORTANT NOTICE

April 11, 2011

TO: All Eligible Retired Employees and Dependents  
Southwestern Teamsters Security Fund

As you must know, medical and prescription expenses continue to rise each and every year. The Retiree Self-Payment rates have not changed since January 1, 2008 and unfortunately, these rising costs have made it necessary for the Trustees to increase the cost of the monthly self-payment.

The objective of each member of the Board of Trustees, when considering any changes, is to provide you and your dependents with some level of financial protection against the expenses caused by a catastrophic illness or injury. **Remember, the Fund provides benefits on a self-funded basis. As with all self-funded plans, this Plan operates like an insurance company would but without the requirement to produce a profit. Every dollar collected by the Fund is spent to benefit the Teamster members and their families who participate in this Fund.**

The Trustees are aware of today's costs faced by the members and they did not make the decision to increase the monthly self-payment rates lightly or without researching every other available option. The following monthly Self-Payment Rates will be implemented for coverage effective May 1, 2011.

RETIREE CLASS	CURRENT RATE	NEW RATE
<b>Retired Employee <u>without Medicare</u> retired from a <u>Non-Contributing Employer</u>:</b>		
Retired Employee with no spouse or dependents	\$500	\$560
Retired Employee with spouse and/or dependents	\$700	\$784
Retired Employee with spouse who has other coverage available but does not elect the other coverage	\$900	\$1,008
<b>Retired Employee <u>with Medicare</u> who retired from a <u>Non-Contributing Employer</u></b>	\$510	\$571
<b>Retired Employee <u>without Medicare</u> who retired from a <u>Contributing Employer</u></b>	\$250	\$280
<b>Retired Employee <u>with Medicare</u> who retired from a <u>Contributing Employer</u></b>	\$200	\$224

If you have authorized your self-payment to be automatically deducted from your checking or savings account, or if you are currently receiving a pension benefit from the Arizona Laborers' and Teamsters' Pension Trust Fund and have authorized an automatic deduction from your pension benefit, these automatic deductions will begin in April 2011 for your coverage beginning in May 2011. If you remit your self-payment by check or money order, the payment you send in April should reflect the increased self-payment.

If you wish to change your method of payment, please contact the Administrative Office. Remember, to avoid the termination of your medical coverage the monthly self-payment must be received by the Administrative office no later than the 20<sup>th</sup> day of the month prior to the month in which coverage is desired.

If you do not wish to continue your participation in the Retired Employee Benefit Plan, please complete the enclosed form and return it to the Administrative Office no later than April 15, 2011. An addressed return envelope is enclosed for your convenience.

If you want to have your payment automatically deducted from your checking or savings account, complete the enclosed Direct Payment form and return it to the Administrative Office no later than April 15, 2011. An addressed return envelope is enclosed for your convenience.

**Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions, please contact the Administrative Office at (602) 249-3582, or toll free at (800) 474-3485.**

# **SOUTHWESTERN TEAMSTERS SECURITY FUND**

**NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_  
\_\_\_\_\_

**SOCIAL SECURITY NUMBER:** \_\_\_\_\_

I do not wish to continue my medical coverage under the Southwestern Teamster Retired Employee Benefit Plan.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_