

May, 2008

★★SUMMARY OF MATERIAL MODIFICATIONS★★

To: All Active Full-Time Employees and Their Eligible Dependents
and Part-Time Employees:

This Summary of Material Modifications is an amendment to your Summary Plan Description (SPD) booklet effective November 1, 2005, to formalize language incorporating recent Trustee actions regarding your Plan. New SPD language is shown in italics throughout.

Included in this Summary are brief references to health promotion programs that will become available through Blue Cross Blue Shield of Minnesota beginning June 1 and July 1, 2008. Information on these programs is included with this Summary of Material Modifications and in the future.

Life Insurance Benefits Increase

Effective May 1, 2008, the Life Insurance Benefits for both full-time and part-time employees will be increased. Page ii of your SPD will be revised as follows:

Plan 1 (Full-Time Employees)	\$20,000
Plan 2 (Part-Time Employees)	\$ 5,000

Accidental Death and Dismemberment Benefits will not change.

Delta Dental Benefits Increase

Effective May 1, 2008, the Delta Dental Benefits aggregate annual maximum for diagnostic, preventive, restorative, and prosthetic services will be increased for both full-time employees and their dependents and part-time employees. An orthodontic benefit will be added for part-time employees and the orthodontic lifetime maximum will be increased for the dependents of full-time employees. Page v of your SPD will be revised as follows:

Plan 1 (full-time employees) maximum per calendar year	\$1,250
Plan 2 (part-time employees) maximum per calendar year	\$1,000

Orthodontics lifetime maximum	
Plan 1 (full-time employees' dependent children ages 8 to 18)	\$1,000
Plan 2 (part-time employees)	\$1,000

Page 35 of your SPD will be revised as follows:

Orthodontics (For Dependents of Full-Time Employees *and Part-Time Employees*)

Comprehensive Major Medical Benefits Lifetime Maximum

Effective May 1, 2008, the Comprehensive Major Medical Benefits lifetime maximum for part-time employees will be increased. Page iii of your SPD will be revised as follows:

Plan 2 (part-time employees) lifetime maximum	\$250,000
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Vision Care Benefits

Effective May 1, 2008, laser eye surgery will be covered. Page v of your SPD will be revised as follows:

VISION CARE BENEFITS (Plan 1 Only)

Aggregate maximum per person per calendar year

(In lieu of all other benefits for lenses, frames, and contact lenses, laser eye surgery will be covered up to the aggregate maximum.)

A new paragraph will be added to page 36 of your SPD as follows:

In lieu of all other benefits for lenses, frames, and contact lenses, laser eye surgery will be covered up to the aggregate maximum each calendar year as stated in the Schedule of Benefits.

Waiver of Deductible on Certain Health Promotion/Preventive Care Procedures

Effective June 1, 2008, the deductible will be waived on the following procedures for the remainder of 2008: mammogram, pap smear and pelvic exam, PSA test, and colonoscopy. In addition, in order to be eligible for your deductible to be waived on these procedures after 2008, you will be required to participate in the Blue Cross Blue Shield Health Assessment and Online Coaching Program and each year you participate you are eligible for your deductible to be waived in the following year.

The Health Assessment Program features an online health assessment tool that will help you understand your current health status and the steps you can take to modify your risk.

To reflect these changes, a new paragraph will be added to page iii of your SPD as follows:

Under Plans 1 and 2, the deductible amount is waived for 2008 for covered expenses related to the following services: mammogram, pap smear and pelvic exam, PSA test, and colonoscopy. After 2008, the deductible will be waived for these services only if you participate in the Blue Cross Blue Shield Health Assessment and Online Coaching Program.

Blue Cross Blue Shield Healthy Start Prenatal Support Program

Effective June 1, 2008, you and your eligible dependents will have access to the “Healthy Start” prenatal support program offered by Blue Cross Blue Shield of Minnesota. This program is designed to assess, educate, and support pregnant women to achieve an optimal childbirth outcome.

Stop-Smoking Program

Effective June 1, 2008, you and your eligible dependents also will have access to the stop-smoking program offered by Blue Cross Blue Shield of Minnesota. It is a phone-based counseling program to help you quit smoking at your own pace. The program provides a Quit Coach who works with you over the phone to create your own personal “game plan.” In addition, the Plan will provide benefits for certain over-the-counter (OTC) medications to help you as you quit. There is a 16-week limit for these medications per calendar year. Your Coach will provide you with information on how to obtain and use these OTC medications and the Plan will cover 100% of the eligible cost for them.

Fitness Program Discount

Effective July 1, 2008, up to two eligible adults per household (you, your spouse or adult child) can receive up to a \$20.00 monthly credit off their fitness center monthly fee when you exercise at a network facility at least 12 times per month. The packet you will receive from Blue Cross shortly will include a list of network facilities and information on how to receive the credit.

We are hoping with the implementation of these health promotion programs that you will take a proactive approach to maintaining a healthier lifestyle which we believe will help reduce both your and the Fund’s health care expenses. The appropriate language will be added at the end of page 33 of your SPD to incorporate these health promotion program changes.

Please keep this Summary of Material Modifications with your Summary Plan Description (SPD) booklet for future reference and please look for the packet from Blue Cross which will provide much more detailed information on the programs previously described. If you have any questions, please feel free to contact the Fund Office.

Yours very truly,

THE BOARD OF TRUSTEES