

February 17, 2010

To: Plan Participants Enrolled in Kaiser

From: The Plan Office

Re: Benefit Modifications – Mental Health/Chemical Dependency Coverage

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The new Federal Mental Health Parity Act provides that all benefit group plans covering more than 50 members and offering both medical and mental health benefits must ensure that certain coverage terms – financial requirements and treatment limitations – that are applied to behavioral health and chemical dependency benefits are no more restrictive than those for physical health benefits. Financial requirements for coverage include deductibles, copayments, coinsurance, out-of-pocket expenses, and lifetime and annual dollar limits. Treatment limitations on coverage relate to frequency of treatments, number of visits, days of coverage, or similar limits.

Consequently, the trust has redesigned your Chemical Dependency benefits (which are available to Kaiser members through both PacifiCare Behavioral Health (PBH) and Kaiser) and Mental Health benefits (which are provided only through Kaiser) to comply with the new legal requirements. As a result, effective February 1, 2010, the plan changes will apply to all financial requirements for coverage and treatment limitations on coverage.

Included with this letter are charts showing a comparison of the new benefit coverage terms. Also included is a document which briefly describes your PacifiCare Behavioral Health Member Assistance Program (MAP) benefits. The MAP provides valuable resources and services that can assist you in attaining your goals and help you and your family deal with the typical life issues that families face on a daily basis.

We urge you to take the time to review the materials and direct any questions or comments to the Plan Office.