

**SAN FRANCISCO ELECTRICAL WORKERS
HEALTH & WELFARE TRUST**

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2010-2011 OPEN ENROLLMENT NOTICE

June 2010

TO: SAN FRANCISCO ELECTRICAL WORKERS ACTIVE/EARLY RETIREE PLAN
PARTICIPANTS

FROM: BOARD OF TRUSTEES

RE: OPEN ENROLLMENT- Plan selection for 8/1/2010 – 7/31/2011

The Open Enrollment is being held during the month of July for coverage effective August 1, 2010.
Depending on where you reside, you may choose from the following medical plans:

- ♦ **SELF FUNDED PPO**
- ♦ **KAISER HMO**
- ♦ **BLUE SHIELD HMO**

A comparison of the more significant benefits offered by these Plans is enclosed for your information. You are urged to study this comparison carefully and select the Plan you feel best meets the needs of your family. **Note that only under special circumstances, will participants be allowed to change plans outside the open enrollment period. This is why it is important for you to review all of the information before you make a change.** You may also contact the Fund Office if you would like additional information regarding the Plans.

If you wish to remain under your present coverage, no action is required.

If you are changing coverage, complete the enclosed Request Form and return it to the Plan Office immediately. ALL CHANGE APPLICATIONS MUST BE RECEIVED NO LATER THAN July 23, 2010.

Forms are also enclosed for your convenience if there has been a change in dependent status or you wish to change your beneficiary designation.

Effective August 1, 2010, adult children up to age 26 (ages 19 through 25), regardless of marital, student or tax dependent status, are eligible for the Plan's medical coverage (dental and vision excluded). The adult child will not be eligible under the Plan, however, if the child is eligible for other group health plan coverage other than through a parent. Under this new rule, the value of the coverage of an adult child who is not a dependent for tax purposes is subject to California state income and payroll taxes (exempt from Federal taxes). State taxes will be required to be paid to the Plan Office semi-annually in advance of the period covered and a Form W-2 including the imputed income will be filed annually with the Franchise Tax Board. Please check the applicable box on the enclosed Plan and Dependent Change Request Form if you are considering adding an adult child. The Plan Office will then send the special enrollment form along with state tax information.

If you have any questions concerning this information or require additional information, do not hesitate to contact the Plan Office at (415) 263-3670.