ILWU-PMA BENEFIT PLANS /

International Longshore & Warehouse Union — Pacific Maritime Association

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ILWU-PMA Pension Plan ILWU-PMA Welfare Plan ILWU-PMA Watchmen Pension Plan ILWU-PMA Supplemental Welfare Benefit Plan

June 29, 2007

TO: ILWU Northern California Locals 10, 18, 34, 34-A (Stockton), 54, 75 and 91

FROM: Gail Lorentz, Manager, Welfare Plans

SUBJECT: Benefit Changes and Clarification for Northern California Kaiser Eligibles

Kaiser Northern California medical plan has announced benefit changes and clarification as described below effective July 1, 2007. These benefit changes are subject to review by the ILWU-PMA Welfare Plan Trustees.

HOSPICE CARE

For non-Medicare Members, Kaiser will now cover hospice care inside their Service Area or inside California but within 15 miles or 30 minutes of Kaiser's Service Area (including a friend's or relative's home inside California but within 15 miles or 30 minutes from Kaiser's Service Area even if the patient lives there temporarily).

OSSEOINTEGRATED EXTERNAL HEARING DEVICES

Osseointegrated external hearing devices for non-Medicare Members are now a covered benefit. Previously these implanted devices were only covered for Senior Advantage Medicare Members.

GRIEVANCE TIMEFRAME

Kaiser has established a timetable for non-Medicare members to file a grievance. Members who want to make a request for Services or file a grievance must do so within 180 days of the denial date or the date of the incident that caused his or her dissatisfaction.

The next revised Northern California Kaiser SSPD will reflect the above changes and clarification

Cc: Joe Cabrales, Area Welfare Director

GL:cs/opeiu29aflcio/KaiserNoCaAnn07-062907

A copy of this memo may be downloaded at www.benefitplans.org