

| <b>AAM Proposal</b>  | <b>Tentative Agreement</b>  |
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| <p><b>Mail Order Copayments.</b> "Market competitive" copayments of from two times the proposed generic, preferred and nonpreferred prescription drug payments.</p> <p><b>HMO Option.</b> Maintain HMOs as long as they provide a "market-competitive" plan design, which would add approximately \$3,000 in new costs to members.</p> <p><b>Health Care Eligibility.</b> Terminate coverage for current and future sponsored dependents and principally supported children.</p>   | <p><b>Mail Order Copayments.</b> The mail order copayments were improved so that one copayment will buy a 90-day supply. Previously, a 90-day supply cost two times the retail copayments.</p> <p><b>HMO Option.</b> The above plan changes apply to enrollees in Health Alliance Plan and Blue Care Network. The plan design for Univera enrollees will be different, but equivalent, because Univera cannot administer the plans in these specific ways. HMOs remain subject to the letter regarding alternative plans.</p> <p><b>Health Care Eligibility.</b> Coverage for dependents will cease at the end of the year in which the dependent turns 19, unless the dependent is a full-time student (defined as enrolled on a full-time basis for four consecutive calendar months per year).</p> <p>Coverage for full-time students will continue until the end of the year in which the dependent turns age 24.</p> <p>After Aug. 1, 2008, no additional principally supported dependent children may be added to your coverage. Current principally supported dependent children, who are otherwise eligible, are not affected by this change.</p> |
| <b>GROUP LIFE AND DISABILITY</b>   |   |
| <p><b>Life and Disability Benefits</b></p> <p><b>Life.</b> Reduce life insurance to a flat \$25,000 for all actives. Reduce future retiree life insurance starting at retirement date (rather than age 65) for actives with 20-plus years of service. Eliminate retiree life insurance for workers with fewer than 20 years of service.</p> <p><b>Disability.</b> Eliminate extended disability for actives with less than 20 years of service.</p> <p><b>Administration.</b> Eliminate Independent Medical Opinion program.</p> | <p><b>Life and Disability Benefits</b></p> <p><b>Life.</b> No changes to current life insurance table. Life insurance remains at pre-buy down levels for those who take the buy down. No changes to retiree life insurance.</p> <p>SIBI and extra accident insurance have been eliminated. In addition, the options for self-paying for group insurance for future retirees have been eliminated. Individual conversion for group life remains.</p> <p><b>Disability.</b> The period for sickness and accident has been reduced from 52 weeks to 26 weeks. There were no changes to extended disability, except that it will begin in the 27<sup>th</sup> week rather than the 53<sup>rd</sup> week for otherwise qualified individuals.</p> <p><b>Administration.</b> The plan administrator (i.e. Sedgwick) and plant physicians can now make disability determinations. If there is a conflict between Sedgwick/plant medical and your personal physician, an independent medical opinion remains available. AAM will pay for half of the IMO if it finds the worker able. If the finding is unable, then AAM pays the full cost of the IMO exam.</p>  |