



# Los Angeles Machinist Benefit Trust

6801 EAST WASHINGTON BLVD. • CITY OF COMMERCE, CA 90040

## NOTICE ABOUT THE EARLY RETIREE REINSURANCE PROGRAM

November 1, 2011

You are receiving this notice because you are a plan participant, or are being offered the opportunity to enroll as a plan participant, in the *Los Angeles Machinist Benefit Trust*, which is certified for participation in the Early Retiree Reinsurance Program. The Early Retiree Reinsurance Program is a Federal program that was established under the Affordable Care Act. Under the Early Retiree Reinsurance Program, the Federal government reimburses Los Angeles Machinist Benefit Trust for some of the costs of health care benefits paid on behalf of, or by, early retirees and certain family members of early retirees participating in the employment-based plan. By law, the program expires on January 1, 2014.

Under the Early Retiree Reinsurance Program, the Los Angeles Machinist Benefit Trust may choose to use any reimbursements it receives from this program to reduce or offset increases in plan participants' premium contributions, co-payments, deductibles, co-insurance, or other out-of-pocket costs. If the Los Angeles Machinist Benefit Trust chooses to use the Early Retiree Reinsurance Program reimbursements in this way, you, as a plan participant, may experience changes that may be advantageous to you, in your health plan coverage terms and conditions, for so long as the reimbursements under this program are available and Los Angeles Machinist Benefit Trust chooses to use the reimbursements for this purpose.

Los Angeles Machinist Benefit Trust may also use the Early Retiree Reinsurance Program reimbursements to reduce or offset increases in its own costs for maintaining your health benefits coverage, which may increase the likelihood that it will continue to offer health benefits coverage to its retirees and employee and their families.