



September 26th, 2011

RE: LMHCC Selects Extend Health to provide retiree health insurance services

Dear Labor/Management Healthcare Coalition Funds,

After extensive review, the LMHCC Executive Committee has endorsed Extend Health as our partner for retiree health insurance coverage.

Extend Health is the nation's largest private Medicare exchange. To date, Extend Health has helped over 135 private and public sector organizations and more than 380,000 retirees leverage the competitive power of the individual private Medicare market, so that these employers can continue to offer retiree health care benefits in a fiscally sustainable manner.

Unions, trusts, and employers that leverage the Extend Health model (and the competitive pricing power of the individual Medicare marketplace), can continue to ensure that retirees have access to benefits equal to, or better than, those provided under group plans. Retirees receive a more personalized set of health care offerings and dollars go further because the buying power of each dollar that is spent on health care is increased.

Licensed Extend Health benefit advisors work one-on-one with retirees to help them choose an appropriate individual plan that fits their medical needs and lifestyle requirements. These benefit advisors are not paid a commission to "sell" plans from any specific carrier, and so they act as truly unbiased advocates for each retiree.

On the Extend Health exchange, retirees will view, compare, and enroll in Medicare supplemental, Medicare Advantage, and Medicare prescription drug plans with the assistance of expert advisors.

The Extend Health model offers a genuine **WIN-WIN** for Medicare retirees AND for the Fund.

How do Medicare Retirees WIN? Through Extend Health, retirees receive:

- Access to personalized options through extensive carrier and plan choice
- Access to better benefits for less cost—average retiree saves \$500 to \$1,000 a year compared to the current group plan
- Personal and objective enrollment guidance to help each individual select the plan that meets his or her unique requirements
- Lifetime advocacy services to assist retirees with any coverage or Medicare issue
- Empowerment to spend the Fund subsidy, when available, on the health care services that meet the retiree's specific needs (premiums, out of pocket, prescription, glasses or hearing aids).

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How does the Fund WIN? Through Extend Health, Funds can:

- Provide better benefits to Medicare retirees at a lower cost
- Achieve immediate post-65 retiree medical cost reduction - typically 20% to 35% - and OPEB liability reduction, for those Funds that provide a subsidy to retirees.
- Significantly reduce or eliminate the Fund's post-65 administrative responsibilities:
 - Eliminate carrier selection, billing, negotiations and renewal responsibility
 - Minimize compliance risk
 - Reduce retiree phone calls to just a handful of queries yearly

In closing, if you would like to learn more about how Extend Health can help your retirees, whether or not the Fund supports retirees with any kind of health care benefits, please identify yourself as a member of the LMHCC.

Contact Information:

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Sincerely,



Doug Rubbelke

Executive Director