

Laborers' National Health & Welfare Fund

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SUMMARY OF MATERIAL MODIFICATIONS TO PLAN BENEFITS

Effective January 1, 2009

TO: All Eligible Participants and Dependents Covered By The Laborers' National Health and Welfare Fund (Plan 1 & Plan 2)

The Board of Trustees of the Laborers' National Health and Welfare Fund ("Fund") is pleased to announce the following improvements in the Dental Benefits Coverage provided under Plan 1 and Plan 2 effective January 1, 2009. Please note that these improvements amend certain provisions of the Plan Booklet (Summary Plan Description). If there is a conflict between the language of the Plan Booklet and this Summary of Material Modifications ("SMM"), this SMM will govern. You should keep this important document with your copy of the Plan Booklet. If you need a copy of the Plan Booklet, please contact the Fund Office (the contact information is provided above).

1. NEW, IMPROVED DENTAL BENEFITS COVERAGE: OVERVIEW

Current Dental Benefits Coverage: Both Plan 1 and Plan 2 include Dental Benefits Coverage, as explained in Part 3 of the Plan Booklet for each Plan (starting on page 32). Currently, if you receive a dental treatment or service that is covered by the Plan, the Fund pays a portion of the cost for this treatment or service up to the Maximum Amount shown in the Schedule of Covered Dental Procedures in the Plan Booklet (pages 33-38). There is also an annual maximum limit on how much the Fund will pay for each covered individual (\$1,000 under Plan 1 and \$1,500 under Plan 2). The amount paid by the Fund is the same regardless of what dentist treats you. You may be charged an additional fee the dentist wants to charge for the treatment or service.

New Dental PPO Program: The new Dental Benefits Coverage for both Plan 1 and Plan 2 uses a dental "preferred provider organization" ("PPO") that should enable you to continue receiving high quality dental care but at a reduced cost for both you and the Fund. The PPO will be administered by Delta Dental of Pennsylvania ("Delta Dental").

Under the PPO arrangement, Delta Dental has contracts with thousands of dentists around the country that form "networks". The network dentists' contracts with Delta Dental require them to charge discounted prices to their patients who are covered by a Delta Dental client plan. The Laborers' National Health and Welfare Fund will be a Delta Dental client plan as of January 1, 2009 and, as of that date, each eligible participant and

eligible dependent will be entitled to the Delta Dental discounted prices from a Delta Dental network dentist. That is, a network dentist's discounted charges for covered treatments and services will be substantially lower than his normal fees.

The Fund, through Delta Dental, will pay a certain percentage of the network dentist's discounted charges for treatments and services covered by the Plan ("In-Network"). The rest of the discounted charges will be the patient's responsibility. The percentage of the network dentist's charges that the Fund will pay is listed in the Dental Benefit Schedules for Plan 1 and Plan 2 that are printed below.

No deductible will be charged to a patient for treatments and services received from a Delta Dental network dentist.

Delta Dental network dentists are located in almost all locations in which Fund participants live and work, and many of the dentists treating Fund participants are already Delta Dental network dentists.

If you are treated by a dentist who is not in the Delta Dental network ("out-of-network"), the Fund will still pay a part of the cost for your treatment. However, the Fund's payment will be limited to a percentage of the "reasonable and customary" charges for the treatment or service in the dentist's area. The "reasonable and customary" charges for dental services in an area will be higher than the discounted rates charged by network dentists, and an out-of-network dentist's actual charges for a treatment or service may be higher than the "reasonable and customary" rate for the area. The patient will be responsible for the part of the charges not paid by the Fund. In other words, dental care by an out-of-network dentist will be more expensive for both the Fund and the patient compared to in-network dental care.

Higher Annual Maximums: Another improvement is that the annual maximum limit on how much the Fund will pay in benefits for each covered individual for each calendar year has been substantially increased. For Plan 1, the annual limit has been increased to \$1,500 from \$1,000 per calendar year. For Plan 2, the annual limit has been increased to \$2,500 from \$1,500 per calendar year. These annual maximums apply to Type II and III services only. Type I services (diagnostic and preventive) do not count towards the annual maximum benefit.

Added Benefits: The Plan has added coverage for dental implants as a Type III service and adult orthodontia as a Type IV service. These benefits are new to the program and outlined in the dental benefits schedule below.

Delta Dental Information Coming: In mid-December 2008, you will receive directly from Delta Dental a package of information about the Delta Dental PPO program. Delta Dental will also send to you ID cards that identify you as covered by a Delta Dental plan.

Benefit Claims: If you receive dental care for a Delta Dental network dentist, you will not be required to submit a claim for benefits. The network dentist will automatically submit the claim to Delta Dental for payment. The dentist will bill the patient directly for his or her share of the charges (if any).

If you receive dental care from an out-of-network dentist, you or the dentist may submit a claim for benefits directly to Delta Dental. The address to submit out-of-network claims will be included in the materials being sent to you by Delta Dental in December 2008.

2. PLAN 1: NEW PPO DENTAL BENEFITS SCHEDULE

For eligible participants and dependents covered by Plan 1, the following new benefit schedule will apply for claims incurred on and after January 1, 2009.

In-Network:

Diagnostic Services:	100% of discounted charges paid by the Fund 0% of discounted charges paid by the patient
Preventive Services:	100% of discounted charges paid by the Fund 0% of discounted charges paid by the patient
Restorative-Simple:	80% of discounted charges paid by the Fund; 20% of discounted charges paid by the patient
Restorative-Major:	50% of discounted charges paid by the Fund; 50% of discounted charges paid by the patient
Endodontics:	80% of discounted charges paid by the Fund; 20% of discounted charges paid by the patient
Periodontics:	80% of discounted charges paid by the Fund; 20% of discounted charges paid by the patient
Prostodontics (including dentures and implants):	50% of discounted charges paid by the Fund; 50% of discounted charges paid by the patient
Oral Surgery:	80% of discounted charges paid by the Fund; 20% of discounted charges paid by the patient
Orthodontics: (Dependent child and adult):	50% of discounted charges paid by the Fund; 50% of discounted charges paid by the patient; \$0.00 Deductible; Maximum orthodontic benefit: \$1,000 per individual (lifetime)
Deductible:	None

Out-Of-Network (Dentist Not In Delta Dental “PPO” Network):

Diagnostic Services:	100% of reasonable and customary charges paid by the Fund; charges above reasonable and customary paid by patient
Preventive Services:	100% of reasonable and customary charges paid by the Fund; charges above reasonable and customary paid by patient
Restorative-Simple:	80% of reasonable and customary charges paid by the Fund; balance of charges paid by patient
Restorative-Major:	50% of reasonable and customary charges paid by the Fund; balance of charges paid by patient
Endodontics:	80% of reasonable and customary charges paid by the Fund; balance of charges paid by patient
Periodontics:	80% of reasonable and customary paid by the Fund; balance of charges paid by patient
Prosthodontics (including dentures):	50% of reasonable and customary paid by the Fund; balance of charges paid by patient
Oral Surgery:	80% of reasonable and customary paid by the Fund; balance of charges paid by patient
Orthodontics: (Dependent child And adult):	50% of reasonable and customary by the Fund; balance of charges paid by patient; \$50.00 Deductible per individual (lifetime); Maximum orthodontic benefit: \$1,000 per individual (lifetime)
Deductible:	\$50.00 per person per calendar year, but limited to \$100 per family per calendar year
Out-of-Network Reasonable and Customary	50 th percentile of HIAA reasonable and customary allowance

3. PLAN 2: NEW PPO DENTAL BENEFITS SCHEDULE

For eligible participants and dependents covered by Plan 2, the following new benefit schedule will apply for claims incurred on and after January 1, 2009.

In-Network:

Diagnostic Services:	100% of discounted charges paid by the Fund 0% of discounted charges paid by the patient
Preventive Services:	100% of discounted charges paid by the Fund
Restorative-Simple:	100% of discounted charges paid by the Fund; 0% of discounted charges paid by the patient
Restorative-Major:	60% of discounted charges paid by the Fund; 40% of discounted charges paid by the patient
Endodontics:	100% of discounted charges paid by the Fund; 0% of discounted charges paid by the patient
Periodontics:	100% of discounted charges paid by the Fund; 0% of discounted charges paid by the patient
Prosthodontics (including dentures):	60% of discounted charges paid by the Fund; 40% of discounted charges paid by the patient
Oral Surgery:	100% of discounted charges paid by the Fund; 0% of discounted charges paid by the patient
Orthodontics: (Dependent child and adult):	50% of discounted charges paid by the Fund; 50% of discounted charges paid by the patient; \$0.00 Deductible;
	Maximum orthodontic benefit: \$1,500 per individual (lifetime)
Deductible:	None

Out-Of-Network (Dentist Not In Delta Dental “PPO” Network):

Diagnostic Services:	100% of reasonable and customary charges paid by the Fund; charges above reasonable and customary paid by patient
Preventive Services:	100% of reasonable and customary charges paid by the Fund; charges above reasonable and customary paid by patient
Restorative-Simple:	100% of reasonable and customary charges paid by the Fund; balance of charges paid by patient
Restorative-Major:	60% of reasonable and customary charges paid by the Fund; balance of charges paid by patient
Endodontics:	100% of reasonable and customary charges paid by the Fund; balance of charges paid by patient
Periodontics:	100% of reasonable and customary charges paid by the Fund; balance of charges paid by patient
Prosthodontics (including dentures and implants):	60% of reasonable and customary charges paid by the Fund; balance of charges paid by patient
Oral Surgery:	100% of reasonable and customary paid by the Fund; balance of charges paid by patient
Orthodontics: (Dependent child and adult):	50% of reasonable and customary charges paid by the Fund; balance of charges paid by patient; \$50.00 Deductible per individual (lifetime); Maximum orthodontic benefit: \$1,500 per individual (lifetime)
Deductible:	\$50.00 per person per calendar year, but limited to \$100 per family per calendar year
Out-of-Network Reasonable and Customary	80 th percentile of HIAA reasonable and customary allowance

Questions about this Summary of Material Modifications should be directed to the Fund’s Administrator: Zenith Administrators Inc., 5565 Sterrett Place, Suite 210, Columbia, MD 21044, Telephone 800-235-5805