

**NYSUT Member Benefits Trust
Summary of Material Modifications
And
Notice to Participants
(Plan No. 503; I.D. No.: 22-2480854)**

Dated: March 2014

Dear Participant:

The following is a summary of important changes made to endorsed benefit programs since the publication of the New York State United Teachers Member Benefits Trust Summary Plan Description in March 2011 and the subsequent NYSUT Member Benefits Trust Summaries of Material Modifications and Notices to Participants dated March 2012 and March 2013. It is important that you retain this information until a new Summary Plan Description is issued to you.

Name change for Marsh U.S. Consumer

Effective January 1, 2014, Marsh U.S. Consumer has changed its name to Mercer Consumer. Mercer Consumer administers the Disability Insurance Plan; grandfathered Disability Insurance Plan II; Term Life & Level Term Life Insurance Plans; grandfathered Senior Term Life Insurance Plan; and Catastrophe Major Medical Insurance Plan. It is also the Claims Administrator for the Group Catastrophe Major Medical Insurance Plan.

Address for The Preferred Group

The mailing address for The Preferred Group is 19 British-American Boulevard West, Latham, NY 12110. The Preferred Group administers the Group Catastrophe Major Medical Insurance Plan and is one of the administrators of the endorsed Flexible Benefits (Section 125) Plan and Health Reimbursement Arrangement.

Catastrophe Major Medical (CMM) & Group CMM Insurance Plans

Effective January 1, 2014, The United States Life Insurance Company in the City of New York no longer provides the Catastrophe Major Medical or Group CMM Insurance Plans; instead, the NYSUT Member Benefits Trust has become Plan

Sponsor and is self-insuring both programs.

Mercer Consumer (formerly known as Marsh U.S. Consumer) continues to administer the CMM Plan. The Preferred Group is the plan administrator for the Group CMM Plan and Mercer Consumer serves as the claims administrator.

The NYSUT Member Benefits Trust is working on the modifications necessary under health care reform to develop a new CMM Plan for new enrollees after July 1, 2011, as well as a new Group CMM Plan for purchase by Employers, Local Associations and their Benefit Funds.

Member Benefits self-insures the risk associated with the CMM Plan and is paid 5% of contribution requirements (premiums) to administer this program. Contributions to the plan are pooled for the purposes of determining premium rates and accounting. Coverage outside of this plan may have rates and terms that are not the same as those obtainable through Member Benefits. Member Benefits may hold premium reserves that may be used to offset rate increases and/or fund such other expenses related to the plan as determined appropriate by Member Benefits.

Long-Term Care Insurance

The Trustees of the Member Benefits Trust have endorsed the voluntary Long-Term Care Insurance Program provided through New York Long-Term Care Brokers (NYLTCB), an insurance intermediary offering access to discounted long-term care insurance plans from multiple highly-rated insurance companies (including the New York State Partnership for Long-Term Care).

All of the available long-term plans are comprehensive, meaning the policies will pay for care at home, assisted living facilities or skilled nursing facilities. NYSUT Members, Agency Fee Payers, Associate Members, and their eligible family members (between the ages of 18 and 84) are eligible to apply. All enrollment forms are subject to medical underwriting.

NYLTCB is located at 11 Executive Park Drive, Clifton Park, NY 12065 and can be reached toll-free at 888-884-0077.

NYSUT Member Benefits has an endorsement arrangement of 2.5% of first-year premium and 1% of renewal premium received in years 2-10 for this program.

Financial Arrangements

A financial arrangement between the NYSUT Member Benefits Trust and one of the providers of endorsed programs has changed. This change is as follows:

Member Benefits has had a surplus of approximately 8.84% of paid premiums for the past 10-year period for the Davis Vision Group Vision Care Plan.

Sincerely,

Board of Trustees
NYSUT Member Benefits Trust