



UAW FORD Report

December 2005

What Will Change?

No cost impact for retirees with \$8,000 or less per year in pension income and a pension benefit rate of \$33.33 or less per month per year of service. No new costs; some administrative changes.

All other retirees - Contribution of \$10 per month for individual coverage, \$21 per month for family coverage in the first year of the plan. Deductibles, increased drug co-payments and co-insurance payments will also be implemented.

Maximum out-of-pocket costs for deductibles and co-insurance. \$250 for individuals, \$500 for families.

No changes in health care benefits for active workers, except for increases in some prescription drug co-payments and plan administrative changes.

Ford will pay \$108 million to an Independent VEBA Trust, plus potential stock appreciation rights.

Active UAW members will contribute to the Independent VEBA Trust to help fund post-retirement health care benefits with: deferral of the scheduled 3% General Wage Increase (GWI) in 2006; a total of 17 cents per hour of COLA at a maximum of 6 cents per quarter; plus future quarterly COLA deferrals of 2 cents per hour. There is no reduction in current pay; these are deferrals of future raises.

Independent VEBA Trust to subsidize cost of retiree benefits. Independent trustees will administer funds contributed by the company and wage deferrals by employees, with mandate to protect benefits and minimize costs for retirees.

New investment: Ford commits to invest \$900 million in new technology products, to enhance the strength of the company's core domestic vehicle production business.

Ratification, legal action required. Proposed changes require ratification by active members and court approval on behalf of retirees.

Joint efforts on health care reform. The UAW and Ford have agreed to an unprecedented effort to improve the affordability, accessibility and accountability of the U.S. health care system, including the pursuit of universal coverage.

Health Care Changes for Active and Retired Workers

Ford contributes \$108 million to Independent VEBA Trust for future benefits

This summary explains the proposed changes to the UAW Ford retiree health care plan and the deferral of future wage increases for UAW Ford active workers. The changes will be implemented if the tentative agreement is ratified by UAW Ford active members and approved by the U.S. District Court for the Eastern District of Michigan.

Overview

- For UAW Ford retirees and surviving spouses with yearly Ford pension income of \$8,000 or less and whose Ford pension benefit rate is \$33.33 or less per month per year of service, health care coverage will continue as is, except for minimal modifications and administrative changes. More than 28,000 retirees and surviving spouses will be exempted under this provision. (See page 5, "Protection for Low-Income Retirees," and page 6, "Health Care Program Modifications and Administrative Changes".)

- The actual cost for all other retirees and surviving spouses will be monthly contributions of \$10 for individual coverage and \$21 for family coverage in the first year of the plan. Deductibles and co-insurance payments will also be implemented, with a maximum potential out-of-pocket cost for such payments of \$250 for an individual and \$500 for a family. (See "Proposed Changes in UAW Ford Retiree Health Care Program," page 3 and Table 4, page 8.)

- These monthly contributions and other out-of-pocket expenses will be significantly smaller than they would otherwise be due to mitigation by an Independent Voluntary Employee Beneficiary Association (VEBA) Trust. Ford will contribute \$108 million to the trust, plus Stock Appreciation Rights. (See "Independent VEBA Trust," page 5.)

- Ford active workers will forgo future wage increases through the deferral of 17 cents in COLA and the 3 percent wage increase scheduled for September 2006. In addition, once the 17 cents of COLA has been accumulated, an additional 2 cents of each subsequent quarterly COLA adjustment will be deferred. This money will go into the Independent VEBA Trust. (See "UAW Ford Active Workers," page 4.)

- To ensure that monthly contributions, deductibles, co-payments and out-of-pocket maximums are affordable over the long run, these obligations will increase by no more than 3 percent per year, subject to funding. The Independent VEBA Trust is projected to have sufficient funds to maintain benefits indefinitely at the proposed levels.

- Retirees and surviving spouses who choose not to enroll in the modified plan will be covered at no cost under a plan that covers only catastrophic health care expenses.

- Health care coverage for UAW Ford active workers will continue as is, except for several administrative changes and increases in prescription drug co-payments. (See "UAW Ford Active Workers" page 4 and "Health Care Program Modifications and Administrative Changes," page 6.)

- To strengthen the company's core domestic vehicle production business, the UAW and Ford reached an agreement which requires the company to invest \$900 million on projects related to innovation and new technology that would otherwise not have been possible. (See "\$900 million in new investment," page 5.)

- The tentative agreement is subject to ratification by active UAW Ford members and court approval.

A message from UAW President Ron Gettelfinger and UAW Vice President Gerald Bantom

December 16, 2005

Dear Brothers and Sisters,

This document presents for your consideration a tentative agreement between the UAW and Ford on health care issues. This agreement was negotiated with Ford following authorization by the National Ford Council delegates and after an in-depth analysis of Ford's financial situation by a team of UAW in-house experts and two internationally respected firms – Lazard LLP (financial advisors) and Milliman (health care actuaries.)

This analysis made it clear that in order to provide UAW-represented Ford retirees and surviving spouses the strongest possible long-term protection for their health care benefits, action needed to be taken sooner rather than later.

In 1990, Ford's share of the U.S. vehicle market was 24%; today it is approximately 17%. In fact, since 2001, market share at Ford has declined even faster than market share at General Motors. In May of 2005, Ford's credit rating was downgraded to noninvestment or "junk" status. So far this year, Ford has reported pre-tax losses of more than \$2.1 billion from its North American automotive operations. There will be no quick relief, as the company's U.S. market share is expected to continue to decline.

In 1992, Ford's liability for retiree health care benefits — "Other Post Employment Benefits," commonly referred to as OPEB — was \$14.4 billion. By the beginning of this year, the company's OPEB obligation had increased to \$39.1 billion. Like many other U.S. manufacturers, Ford must provide the pensions and health care benefits it has promised to an increasing number of retired workers with a decreasing base of active employees. The company now has 1.25 retired workers for every active employee.

UAW-represented Ford active workers, retirees and surviving spouses have long enjoyed some of the best health care coverage of any workers in America, and will continue to do so under the terms of this tentative agreement. This agreement preserves quality, affordable health care for UAW-represented Ford workers, retirees and their dependents, and it will help Ford remain viable for the long term.

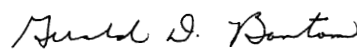
The health care problems at Ford are part of a broader crisis which must be addressed on a national basis. As long as the United States remains the only industrialized nation (except for South Africa) without a universal national health care system, employers like Ford that have accepted the responsibility of providing comprehensive health benefits to active and retired employees will continue to suffer from a competitive disadvantage.

While we will continue our long-term efforts to address America's health care crisis, we cannot afford to delay addressing its impact on Ford.

The UAW National Ford Council has voted to recommend ratification of this tentative agreement. We also recommend ratification of this tentative agreement.

Fraternally and in Solidarity,


Ron Gettelfinger


Gerald Bantom

Proposed Changes in UAW Ford Retiree Health Care Program

Under the current retiree health care program, Ford provides a range of retiree health care benefits and bears the full cost of those benefits. The current program has co-payment requirements only in very limited areas, such as prescription drugs.

Under the new program, retiree health care benefits would be provided by two separate plans:

1. Modified Ford-Sponsored Plan: Ford will continue to sponsor a retiree health care plan and bear the full cost of that plan. However, this modified plan will require a monthly contribution as well as deductibles, co-insurance and co-payments on the full range of medical and hospitalization services.

Those changes are summarized in *Table One* on page 4 and *Table Four* on Page 8. In addition, a number of changes have been made regarding administration of the plan. These changes are outlined on page 6.

2. Independent VEBA Trust Plan: To offset or mitigate a large portion of the costs that would otherwise have to be paid by retirees under the modified plan, the UAW negotiated an Independent VEBA Trust that will provide additional funding for retiree health care benefits. The Independent VEBA Trust plan will pick up a large portion of the retiree health care costs that will not be covered by the modified Ford-sponsored plan, thereby greatly reducing the impact on retirees of the proposed changes to the Ford-sponsored plan.

Responsibility for the dental plan will also be transferred without change from Ford sponsorship to the Independent VEBA Trust.

While it is important to understand how each plan – the modified Ford-sponsored plan and the Independent VEBA Trust plan – will work on its own, the key point is these two plans will work together to provide re-

tirees with health care benefits at far lower cost than the modified Ford-sponsored plan would provide on its own. Overall, the two plans acting together offer the full range of benefits and coverage as before.

Independent VEBA Trust Plan: Helps Pay Amounts Retiree Would Otherwise Pay Under Modified Ford-Sponsored Plan

As noted above, the modified Ford-sponsored plan — like most health care plans today — includes monthly contributions, deductibles, co-insurance and co-payment amounts. The new Independent VEBA Trust is designed to protect retirees from having to bear the full cost of these amounts.

The Independent VEBA Trust is not a Ford-sponsored or administered plan. It is a trust fund, and its assets will be held in trust for the sole purpose of assisting retirees by paying some or all of the amounts they would otherwise be required to pay under the new modified Ford-sponsored plan.

The new Independent VEBA Trust will be administered by a group of Trustees, independent of Ford. The Independent VEBA Trust's funding sources are described on page 5.

Initially, the Independent VEBA Trust will pay 80% of the monthly contribution charges on behalf of retirees. For example, the Independent VEBA Trust will pay \$40 toward the Modified Plan's \$50 monthly contribution requirement for a single retiree, and the retiree will be required to pay \$10 per month.

The Independent VEBA Trust will also reduce the deductible and out-of-pocket maximum, so that a single retiree will have a deductible of \$150 and an out-of-pocket maximum of \$250, including the deductible, for in-network services.

Table One on page 4, *Modified Plan Provision and Retiree Payment*, shows the impact of the Independent VEBA Trust on amounts retirees would otherwise be required to pay.

Definitions

■ **Contributions** — The monthly contribution is the amount that a retiree must pay each month to remain enrolled in the Plan.

Retirees who choose not to contribute will be covered at no cost under a plan that covers only catastrophic health care expenses.

■ **Deductible** — A deductible is the amount a retiree must pay toward medical expenses before the plan begins paying. Excluded charges are not counted for purposes of meeting the deductible.

■ **Co-Insurance** — A co-insurance requirement means that, after a retiree meets the required deductible, the Plan and the retiree will “share” the costs of medical care. Typically, a participant's share of the co-insurance is capped by an out-of-pocket maximum. Under the modified plan, the co-insurance ratio is 90/10 for services obtained within the network up to the amount of the out-of-pocket maximum.

This means that after a retiree meets the deductible requirement, the plan will pay 90% of the medical costs, and a retiree will be required to pay 10% up to the amount of the out-of-pocket maximum.

For services obtained outside the network, the co-insurance is 70/30, which means that the plan pays 70%, and a re-

tiree pays 30%, for out-of-network services up to the amount of the out-of-pocket maximum. Excluded charges are not counted for purposes of meeting the coinsurance requirements.

■ **Co-payment** — A charge paid by a retiree on a per service, per prescription or per office visit basis.

■ **Out-of-Pocket Maximum** — The out-of-pocket maximum is the maximum amount that the retiree may pay each year - including both the deductible and the co-insurance amounts. Once a retiree has paid the out-of-pocket maximum, the Plan will pay 100% of any further covered medical costs in the year. Excluded charges are not counted for purposes of meeting the out-of-pocket maximum.

■ **Excluded Charges** — Payments made by participants under the existing plan that are not reimbursable, including office visits, cost sharing under the mental health substance abuse program, prescription drug co-payments, dental and vision cost sharing, non-covered charges for durable medical equipment and prosthetic and orthotic appliances and any sanctions or exclusions such as participant payments in excess of Reasonable and Customary. It also excludes the new emergency room co-payment.

UAW Ford Active Workers

Health Care Coverage Maintained, Future Wage Increases Deferred to Independent VEBA Trust

Health Care: Under the tentative agreement, the health care coverage for UAW Ford active workers will *not* be subject to monthly contributions, deductibles or co-insurance. The modifications and other administrative changes described on page 6 will apply, as well as the increased co-payments on mail-order drugs and erectile dysfunction drugs (retail and mail-order) described in *Table Two*, below left.

Deferral of Future Wage Increases: Under the tentative agreement, future wage increases will be deferred to help fund the Independent VEBA Trust, consisting of:

- A total of 17 cents per hour of COLA at a maximum rate of 6 cents per quarter, following court approval of the agreement;
- Plus the September 2006 3 percent wage increase.
- Once the 17 cents of COLA has been accumulated, an additional 2 cents of COLA will be deferred in each quarter thereafter.

The deferrals will be fully rolled-up to account for overtime and shift premiums, vacations, holidays, FICA and other compensation costs, thereby allowing the full deferral value of these contributions to be deposited in the Independent VEBA Trust.

**Table One
Modified Plan Provisions and Retiree Payments**

| | Modified Plan Provision | Retiree Pays |
|--|-------------------------|--------------|
| Monthly Contribution (single) | \$50 | \$10 |
| Monthly Contribution (family) | \$105 | \$21 |
| Deductible (single) | \$300 | \$150 |
| Deductible (family) | \$600 | \$300 |
| Out-of-Pocket Maximum* (in-network) (single) | \$500 | \$250 |
| Out-of-Pocket Maximum* (in network) (family) | \$1,000 | \$500 |
| Out-of-Pocket Maximum* (out of network) (single) | \$1,000 | \$500 |
| Out-of-Pocket Maximum* (out of network) (family) | \$2,000 | \$1,000 |

Note: *The Independent VEBA Trust pays the difference between the Modified Plan provision and the retiree payment.*

**The out-of-pocket maximums shown above include the deductible and the co-insurance payments of 10% in network and 30% out of network. "Excluded charges" are not counted for purposes of meeting the deductible or out-of-pocket maximum (see Definitions, page 3.)*

These contributions, deductibles and co-insurance amounts do not apply to UAW Ford retirees and surviving spouses with \$8,000 or less in pension income and a pension benefit rate of \$33.33 or less per month per year of active service.

**Table Two
New Prescription Co-payments**

| | Generic | Brand | ED medications such as Viagra and Cialis |
|----------------------------|---------|-------|--|
| Retail (34 day supply) | \$5 | \$10 | \$15 |
| Mail order (90 day supply) | \$7 | \$12 | \$18 |

These co-payments do not apply to UAW Ford retirees and surviving spouses with \$8,000 or less in pension income and a pension benefit rate of \$33.33 or less per month per year of active service. This group will continue to be covered by the current drug co-payment arrangement.

Independent VEBA Trust

Sources of Funding

The Independent VEBA Trust will be funded as follows:

- Ford will contribute \$108 million to the Independent VEBA Trust, consisting of contributions of \$30 million in 2006; \$35 million in 2009; and \$43 million in 2011. The 2009 contribution will be made earlier if necessary to maintain the mitigation of costs that would otherwise be paid by retirees.

- Wage and COLA Deferral Payments, as described on page 4.

- The Independent VEBA Trust will also hold "Stock Appreciation Rights" on 8.75 million shares of Ford stock. Under this provision, Ford will be required to make additional deposits to the Independent VEBA Trust, based on future increases in Ford's

stock price and any special dividend payments to shareholders other than the regular quarterly cash dividend.

Use of Funds

The Independent VEBA Trust will initially pay 80% of the monthly retiree contribution, and the difference between the deductible and co-insurance amounts charged by the modified plan and the corresponding amounts paid by the retiree (as shown in *Table One*, Page 4.)

The ability of the Independent VEBA Trust to continue to cover those portions of these costs on behalf of retirees is not guaranteed by Ford. Instead, the Independent VEBA Trust's ability to cover those portions of the retirees' costs will depend

on the investment income on the trust's assets, the number of active employees generating the wage deferral payments, numbers of retirements, the exercise of Stock Appreciation Rights and other factors.

With contributions of more than \$108 million in cash, and Stock Appreciation Rights from Ford, as well as wage deferrals from active UAW members, the Independent VEBA Trust will have funding sources that should enable it to remain solvent well into the future.

Trustees, who will be independent of Ford, will govern the Independent VEBA Trust. The Trustees will make decisions about use of the funds in the Trust, in accordance with rules and guidelines that will be set forth in the Trust document.

Protection for Low-Income Retirees

The reduced contribution, deductible, and out-of-pocket maximums provisions are possible because the Independent VEBA Trust will fund large portions of those payments on behalf of retirees.

But for some of our retirees with low pension incomes, even the remaining costs could be a difficult burden to bear. The UAW therefore negotiated additional protection for more than 28,000 retirees with pension incomes below certain defined levels.

Retirees or surviving spouses who have annual Ford pension benefit income of \$8,000 or less and a monthly pension benefit rate of \$33.33 or less will be exempt from the contribution, deductible and co-insurance provisions. People in this protected group will also retain the current prescription drug co-payments. The **only** changes in the health plan for this group will be the "Health Care Program Modifications and Administrative Changes" described on page 6.

Protection from Health Care Inflation

To make certain the monthly contributions, co-payments, deductibles and out-of-pocket maximums remain affordable for retirees over the long term, the tentative agreement provides that contributions, co-payments, deductibles and out-of-pocket maximums will increase by

no more than 3% per year, subject to funding.

With this protection, it takes 24 years of inflation before any of these figures double. In other words, it will be 24 years before the \$10 monthly contribution for a single retiree will become a \$20 monthly contribution.

\$900 Million in New Investment

During these negotiations, the UAW and Ford discussed and recognized the importance of production innovation and new technology at Ford Motor Company.

The parties agreed that innovation and new technology are necessary to enhancing the strength of Ford's core domestic vehicle production business, and that the ongoing strength of domestic production is a vital element in securing continued jobs for active workers, continued benefits for retired workers, and a continued strong presence for Ford Motor Company in communities across America.

As a result of this agreement, Ford has committed to invest \$900 million during the next five years in projects related to innovation and new technology, including tooling, facilities, launch and engineering. The focus is on products and initiatives that would not have been possible absent the commitment contained in this agreement.

The UAW will participate in selecting the projects to be funded, which might include, for example, the building of fuel cell, hybrid and other high-technology vehicles and drive trains in the U.S.

Health Care Program Modifications and Administrative Changes

Upon ratification and court approval, the tentative agreement will also make a number of other changes to the health care plan. These include:

- A new \$50 emergency room co-payment will be applied in the case of an emergency room visit. It will be waived if there is an admission to the hospital. This co-payment does not apply to active employees or retirees protected under the low-income provisions.

- For retirees, dependent spouses, and surviving spouses eligible for Medicare Part B, plan payments will be based on the Medicare allowable charges whether the physician used participates in Medicare or not except in situations where the enrollee does not have the ability or control to select a Medicare provider to perform the service.

- Claims of retired employees eligible for Medicare Part B who do not enroll in Part B will be paid as if Medicare Part B were primary on the claim.

- Those current retirees (mostly surviving spouses) who never enrolled in Part B and are therefore subject to the Medicare Part B late enrollment penalty will have the penalty fully paid to date by Ford or else the modification in the above bullet will not apply to them.

- Services related to non-covered cosmetic surgery will not be covered.

- Hold Harmless provisions will be amended so that the Program will not be responsible for all fees charged above Reasonable and Customary except in situations where the enrollee does not have the ability

or control to select a par provider to perform the service, such as an anesthesiologist.

- The parties will encourage Medicare Part B enrollees to have Medicare pay for medications that are covered by Part B by using pharmacies that electronically bill Medicare. If electronic billing capability becomes widely available in the pharmacy network, by mutual agreement, this electronic filing may become part of the program. In that event, those utilizing pharmacies without electronic billing capability will have to seek reimbursement from the drug carrier through submission of a paper claim.

The following changes, which flow from the 2003 agreement, will be implemented following ratification:

- Coverage for Proton Pump Inhibitors (PPIs) such as Nexium will be restricted to generic omeprazole, except in rare circumstances.

- Limiting the use of Statins to once daily dosing; requiring prior authorization for Revatio, Erythroid Stimulants, and Alzheimer's disease drugs; implementing step therapy for Enbrel, Cox II inhibitors and for Rheumatoid Arthritis patients; using generic citalopram prior to using Lexapro for enrollees new to therapy; and limiting access to Crestor and Pravachol over other comparable drugs.

- Implementing Medical Management Continuum of Care program.

- Expanding the maintenance drug list to include the medications in *Table Three*, page 7.

PPOs

- The deductibles, co-payments, co-insurance and out-of-pocket maximums, modifications and administrative changes that apply in the modified plan will also apply to the PPO option.

- Prospective authorization will be required for out-of-network referrals in the PPO option. If authorization is not approved prior to a service being provided, the enrollee will be responsible for the out-of-network co-insurance amount. Any amount charged over Reasonable and Customary will not count toward deductibles, be covered by the Plan co-insurance portion, or be limited by the out-of-pocket maximum.

HMOs

The contribution amounts, emergency room co-payment and prescription drug co-payment changes implemented for the modified plan will also be applied to HMOs.

If an HMO is unable or unwilling to administer the prescription drug co-payment levels, a co-payment structure that achieves comparable savings will be implemented. In addition, in 2007, other changes will be made to the HMO benefit structure to achieve savings equivalent in value to the savings achieved by the implementation of deductibles and co-insurance in the modified plan.

The Trustees of the Independent VEBA Trust will mitigate the expenses of HMO participants to make the Trust's contribution on their behalf comparable to those for participants in the modified plan.

Legal Action Required to Protect Future Rights of UAW Ford Retirees

For the health care modifications to take effect, a court must approve the agreement. By obtaining court approval, we will make certain the future rights of retirees are not compromised in any way as a result of these changes. We have insisted — and Ford has agreed — that it will not make changes in the medical program (other than certain of the Administrative Changes which are already allowed under the existing agreement) until after court approval, which is expected by mid-2006.

Duration of Agreement

The agreement described here will remain in place until at least September 14, 2011.

At that time, either Ford or the UAW can terminate the agreement. If the agreement is terminated after September 14,

2011, the retirees and the UAW will retain all of their legal rights as they exist today.

If neither party terminates the agreement, it will continue in effect beyond September 14, 2011.

UAW Ford Report

This is a summary of the proposed tentative agreement. In all cases, the actual language of the agreement and plans will apply.

**Table Three:
Additions to Maintenance Drug List**

| Drug Brand Name | Drug Generic Name | Therapeutic Class |
|-----------------|---------------------------------|--|
| ACCURETIC | quinapril/hydrochlorothiazide | Hypertension |
| ACEON | perindopril | Hypertension |
| ACTIVELLA | estradiol/norethindrone | Estrogen Replacement |
| ACTONEL | risedronate | Osteoporosis |
| ACTOS | pioglitazone | Diabetes |
| ADVICOR | lovastatin/niacin | High Cholesterol |
| AGGRENOX | dipyridamole/aspirin | Antiplatelet Agent - Stroke prevention |
| ALTOPREV | lovastatin xl | High Cholesterol |
| ATACAND | candesartan | Hypertension |
| ATACAND HCT | candesartan/hydrochlorothiazide | Hypertension |
| AVALIDE | irbesartan/hydrochlorothiazide | Hypertension |
| AVANDAMET | rosiglitazone/metformin | Diabetes |
| AVANDIA | rosiglitazone | Diabetes |
| AVAPRO | irbesartan | Hypertension |
| BENICAR | olmesartan | Hypertension |
| BENICAR HCT | olmesartan/hydrochlorothiazide | Hypertension |
| CADUET | amlodipine/atorvastatin | Hypertension - Cholesterol |
| CLIMARA PRO | estradiol/levonorgestrel | Estrogen Replacement |
| COMBIPATCH | estradiol/norethindrone | Estrogen Replacement |
| COMTAN | entacapone | Parkinson's Disease |
| COREG | carvedilol | Hypertension - CHF |
| DIOVAN HCT | valsartan/hydrochlorothiazide | Hypertension |
| EVISTA | raloxifene | Osteoporosis |
| FEMHRT | ethinyl estradiol/norethindrone | Estrogen Replacement |
| FOSAMAX | alendronate | Osteoporosis |

| Drug Brand Name | Drug Generic Name | Therapeutic Class |
|-----------------|---------------------------------|--|
| GLUCOVANCE | glyburide/metformin | Diabetes |
| GLYSET | miglitol | Diabetes |
| HYZAAR | losartan/hydrochlorothiazide | Hypertension |
| LEXCEL | enalapril/felodipine | Hypertension |
| LOTREL | amlodipine/benazepril | Hypertension |
| MIACALCIN | calcitonin | Osteoporosis |
| MICARDIS | telmisartan | Hypertension |
| MICARDIS HCT | telmisartan/hydrochlorothiazide | Hypertension |
| MIRAPEX | pramipexole | Parkinson's Disease |
| MOBIC | meloxicam | Pain Management - NSAID |
| ORTHO-PREFEST | estradiol/norgestimate | Estrogen Replacement |
| PLAVIX | clopidogrel | Antiplatelet Agent - Stroke prevention |
| PLETAL | cilostazol | Platelet Aggregation Inhibitor |
| PRANDIN | repaglinide | Diabetes |
| PRAVIGARD PAC | pravastatin/aspirin | Cholesterol - Stroke prevention |
| PRECOSE | acarbose | Diabetes |
| REQUIP | ropinarole | Parkinson's Disease |
| STARLIX | nateglinide | Diabetes |
| TARKA | trandolapril/verapamil | Hypertension |
| TEVETEN | eprosartan | Hypertension |
| TEVETEN HCT | eprosartan/hydrochlorothiazide | Hypertension |
| TRICOR | fenofibrate | Cholesterol - Triglycerides |
| ZETIA | ezetimibe | High Cholesterol |
| ZIAC | bisoprolol/hydrochlorothiazide | Hypertension |
| ZYFLO | zileuton | Asthma |

**Table Four: Proposed Changes in UAW-Ford Health Care Plan for Active and Retired Workers
Traditional Care Network and Preferred Provider Organizations**

| | Monthly Contr. ^{a,d} | Yearly Deduct. ^{a,d} | Co-insurance & OOPM ^{a,d} | Yearly Total ^a | | Prescription Drugs ^a | | \$50 ER ^{a,b} | COLA & GWI Deferrals | Admin Changes |
|---|---------------------------------|-----------------------------------|--|--|--|--------------------------------------|--------------------------------------|------------------------|--|------------------|
| | | | | Individual ^a | Family ^a | Retail | Mail ^e | | | |
| Low Pension Income (\$8000 and \$33.33) | N/A | N/A | N/A | N/A | N/A | No Change | No Change | N/A | N/A | YES |
| RETIREES | \$50/\$105 | \$300/\$600 | 10% with \$500/\$1000 Max In-network | \$120 Month Contrib \$150 Yearly Deduct | \$252 Month Contrib \$300 Yearly Deduct | \$5 Generic \$10 Brand \$15 ED | \$7 Generic \$12 Brand \$18 ED | Yes | N/A | YES |
| All Others | \$10/\$21* VEBA pays balance | \$150/\$300* VEBA pays balance | \$250/\$500* ^f VEBA pays balance | \$100 Co-insurance \$370 MAXIMUM | \$200 Co-insurance \$752 MAXIMUM | | | | N/A | YES |
| A C T I V E | N/A | N/A | N/A | N/A | N/A | \$5 Generic \$10 Brand \$15 ED | \$7 Generic \$12 Brand \$18 ED | N/A | Wage Contributions Comprised of: \$0.17 COLA (Max \$0.06 per quarter) plus: 3% Sept 06 GWI plus: \$.02 per Quarter in each succeeding quarter after the 17¢ COLA deferral is reached | YES ^c |

^a Increases 3% per year MAXIMUM (Amounts would take 24 years to double).

^b Waived if admitted to hospital

^c Excluding changes related to Medicare

^d Deductible, co-insurance & OOPM (out-of-pocket maximum) exclude office visits, Durable Medical Equipment, Prosthetic & Orthotic, Mental Health & Substance Abuse, Dental, Vision, Rx Co-payment and ER Co-payment

^e 90 day supply

^f Amount includes \$150/\$300 yearly deductible

* Amount paid by participant-single/family

Note: HMOs are covered on page 6. This is a summary of the tentative agreement. In all cases, the actual language of the agreement and plans will apply.