

December 2009

GM

Dear UAW Retiree, Surviving Spouse, and Eligible Dependents,

This notice contains important information about your ability to elect continuation of your health coverage under the General Motors Health Care Program for Hourly Employees (the Program) with respect to Vision benefits that were eliminated under the Program effective July 10, 2009 and Dental benefits under the DC VEBA that were eliminated effective August 1, 2009. **Please read the information in this notice very carefully.**

Under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) retirees, surviving spouses, and their eligible dependents covered under a group health care plan have the opportunity to extend their group health care coverage for a period of time at their own expense when they lose their coverage due to certain "qualifying events." GM has interpreted your loss of these coverages as related to a qualifying event, and, therefore, is extending to you an opportunity to continue Dental, Vision, or both coverages at your own expense.

Overview

You, your spouse, and/or your dependent children, as well as any surviving spouses who were covered under the Program as of July 10, 2009 for Vision and August 1, 2009 for Dental are "qualified beneficiaries." Any "qualified beneficiary" may independently elect self-paid continuation coverages. You or your spouse may elect continuation coverage on behalf of all of the qualified beneficiaries, including those who are minor children. A legal guardian may elect continuation coverage on behalf of a minor child.

Self-paid continuation coverage is the same coverage that the Program offered the day before it terminated. Each qualified beneficiary who elects self-paid continuation coverage will have the same rights under the Program as other participants and beneficiaries covered under the Program, including open enrollment and/or any special enrollment rights.

If there is a qualified beneficiary who resides at another address, please call the GM Benefits & Services Center at 1-800-489-4646.

Your Coverage Options and Premiums

The premiums shall be 102% of the applicable premium of the Plan(s) for the current plan year. This includes the full cost of coverage for an individual member of the group Plan, plus a 2% administration fee. See the rates below:

	Self	Self plus Spouse	Self plus Child(ren)	Self plus Family
Vision	\$3.13 per month	\$5.64 per month	\$5.95 per month	\$9.39 per month
Dental	\$33.46 per month	\$66.47 per month	\$66.47 per month	\$102.89 per month

The premiums above are effective from December 1, 2009 through December 31, 2010 and are subject to change annually. You will be notified if any change in your premium occurs. If you elect either of these coverages, they will be effective beginning the date that they were terminated, July 10, 2009 for Vision and August 1, 2009 for Dental. You may elect Dental, Vision, or both coverages. You will not be charged any retroactive premiums for the period between the end of coverage and November 30, 2009. Your monthly premiums will begin December 1, 2009.

If you incurred expenses for dental services from the date coverage was canceled until reenrollment, you may have your provider submit those claims to Delta Dental of Michigan for reimbursement.

If you incurred expenses for vision services from the date coverage was canceled until reenrollment, you may submit those claims to Davis Vision for reimbursement. You may contact Davis Vision for instructions on how to submit these claims.

The only dental plan being offered is the Traditional Dental Plan through Delta Dental of Michigan who can be reached at 1-800-524-0149. The carrier for vision is Davis Vision who can be reached at 1-888-672-8393. Note: Plan coverages under the Traditional Dental Plan and Vision Plan are the same as those in effect prior to the cancellation of these coverages. There are no changes to these coverages for 2010.

Duration of Continuation Coverage

Status	Eligibility Duration	
Retiree who lost coverage(s) on July 10 and August 1, 2009	Lifetime Benefit	In the event of the retiree's death, the Surviving Spouse and qualified dependents may be offered 36 additional months of continuation
Surviving Spouse who lost coverage(s) on July 10 and August 1, 2009	Lifetime Benefit	In the event of the surviving spouse's death, qualified dependents may be offered 36 additional months of continuation.

In addition to the table above, COBRA continuation coverage will end on the earliest of the following for all participants:

- The date you, your spouse and/or your dependent child(ren) first become covered under another group health plan, but not Medicare, that does not contain any exclusion or limitation with respect to a preexisting condition applicable to you, your spouse or your dependent children.
- The date General Motors no longer provides group health care coverage to any employees.
- The last day of the month for which the full premium was paid.
- If you fail to make a timely payment of the full premium.

How to Elect COBRA Coverage

You have until February 9, 2010 to elect self-paid continuation coverage. To elect such coverage call the GM Benefits & Services Center **beginning December 9, 2009** at 1-800-489-4646, Monday through Friday between 7:30 A.M. and 6:00 P.M. Eastern Time zone, to speak with a Customer Service Associate. **If you do not make an election by February 9, 2010, you will lose your right to elect self-paid continuation coverage.**

Payment Options:

1. Pension Deduction

If you elect COBRA coverage, the payment will automatically deduct from your existing pension benefits. There is no additional charge for this service. The deduction will appear in your pension check statement. This option will minimize any risk of coverage cancellation that result from a missed or late payment.

If in any month your pension benefits are not sufficient for the applicable premiums, you will be switched to direct invoice.

2. Direct Invoice *(If you elect pension deduction, this section does not apply to you)*

You may elect to pay through direct invoice. You need to contact the benefits center to obtain and complete an authorization from. Your initial payment is due within 45 days from the date of your election. This payment includes the period of coverages starting December 1, 2009 (even though your coverages will be reinstated back to the date that coverages were cancelled) through the date of your election and any regularly scheduled monthly payments that become due between the date of your election and the end of the 45-day period.

Given the timing of your election and payment due date, your initial payment may be for as much as three or more months of coverage. **Payments postmarked after the initial payment due date printed on your invoice will not be accepted**, and your coverage will be terminated as of the last day of employer-provided coverage.

Note: *Please check the payment due dates on the invoice carefully.* You are responsible for making sure the amount of your first payment, as shown on your invoice, is correct. You may contact the GM Benefits & Services Center to confirm the correct amount of your first payment.

Additionally:

- A monthly invoice for payment will be sent to you. All payments, along with the remittance portion of the invoice, must be mailed to the address shown below.
- All checks must be made payable to General Motors.
- After the initial payment, all future payments are due on the first day of each month subject to a 30-day grace period. Therefore, to be considered timely, such payments must be postmarked within 30 days of the due date. Payments postmarked after such 30-day grace period will not be accepted, and your coverage will be terminated as of the last day of the month for which full premium was paid.
- Payments must be for the total amount due. Partial payments will not be accepted and coverage will be terminated if full payment is not received.
- Checks returned due to insufficient funds or checks that otherwise cannot be cashed will not be accepted as payment.
- Postdated checks will not be accepted and will be returned immediately.
- Cash payments will not be accepted.
- Any overpayments will be applied to the next month of coverage. Any outstanding overpayments will be refunded when your coverage terminates.
- All benefit payments must come from one source. For example, your premiums for COBRA continuation coverage and/or other coverage(s) must all be made by monthly invoice payments, if you have monthly invoices as your payment method.

Address Changes

To protect your and your family's rights, you should keep the GM Benefits & Services Center informed of any changes in your address and the addresses of family members. You should also keep a copy, for your records, of any notices you send to the GM Benefits & Services Center or to the Plan Administrator.

For More Information

This notice does not fully describe your eligibility for self-paid continuation coverage or other Plan terms and conditions. For more information you should review your GM benefits booklet or contact the Plan Administrator by calling the GM Benefits and Services Center. For information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) office in your area or visit the EBSA Web site at www.dol.gov/ebsa. Addresses and phone numbers of regional and district EBSA offices are available through EBSA's Web site. If you have any questions about this notice or your eligibility for self-paid continuation coverage, log on to gmbenefits.com. If you do not have Internet access, please call the GM Benefits & Services Center at 1-800-489-4646, Monday through Friday between 7:30 a.m. and 6:00 p.m. Eastern Time zone, to speak with a Customer Service Associate.

Send your invoice payments and any written correspondence to:

**GM Benefits & Services Center
PO Box 770001
Cincinnati, OH 45277-0020
GM Benefits & Services Center**