

Summary of Material Modifications

November 2015

From time to time, the Board of Trustees of the Local No. 9, IBEW and Outside Contractors Active Employees Health and Welfare Plan ("Plan") makes changes to the Plan in order to enhance the Plan's benefits and procedures when feasible or appropriate. To that end, the Board has amended the Plan's documents to the extent that changes are being made to the Summary Plan Description/Plan Document January 2015 Edition ("SPD"). In accordance with the Plan's amendment and termination provision, as stated on Page 68, the Board of Trustees has adopted the following changes.

Effective January 1, 2016, the Subsections entitled *Medical Review* and *Pre-Authorization* and *Transplant Benefits* on page 17 are deleted and are replaced by the following Section entitled *Managing Your Care - Utilization Management (UM)*:

Managing Your Care – Utilization Management (UM)

The plan offers a pre-authorization program and a case management medical review program that specializes in helping you receive quality treatment and, at the same time, helping you maximize your Plan benefits. This program helps ensure that you get the right care at the right time because the program evaluates the necessity, appropriateness, and efficiency of the use of certain medical services, procedures, and facilities.

Generally, services and supplies will be pre-authorized if they are Medically Necessary, efficiently provided in the most appropriate setting, and consistent with the way other providers would treat the same condition.

The Claims Office or pharmacy benefit manager may refer certain procedures, diagnoses or Medications to case management. See the Prescription Drug Benefits section for information about medications that are subject to Pre-Authorization.

You, a family member, your Physician, or Hospital must call the Fund Office at 708-449-9004 for pre-authorization before receiving benefits that require pre-authorization. **If you do not obtain pre-authorization, your charges will not be covered.**

Required Pre-Authorization

In order for you to receive Plan coverage for the following services and/or supplies, you will have to contact the Fund Office and have the following services and/or supplies pre-authorized.

Some of the following services and/or supplies will also be subject to ongoing case management over the period of time you are receiving them.

- ✚ Inpatient hospitalizations, excluding routine deliveries;
- ✚ C-Sections;
- ✚ Organ Transplants;
- ✚ Discograms;
- ✚ Hysterectomies;
- ✚ Spinal Surgery and treatment, except for chiropractic;
- ✚ Radiofrequency;
- ✚ Ablation;
- ✚ Ear/Nose/Throat surgeries;
- ✚ Varicose Vein procedures;
- ✚ Hand/Wrist surgery;
- ✚ Sleep Disorder diagnostics and treatment;
- ✚ Home Health Care;
- ✚ Hospice Care;
- ✚ Speech therapy;
- ✚ Durable Medical Equipment, for a rental that exceeds three months or at a cost that exceeds \$500;
- ✚ Surgery/treatment/care that could be considered cosmetic, such as abdominoplasty, breast augmentation/reduction, birthmark removal, blepharoplasty (eyelid surgery), Botox injections, panniculectomy, and scar removal/revision.

Effective January 1, 2015, the Sections entitled *Pre-Authorization of Prescription Drugs – Utilization management (UM)* is added to the *Prescription Drug Benefits* Section after the *Formulary Medications* Section on page 25:

Pre-Authorization of Prescription Drugs – Utilization Management (UM)

The Plan offers a pre-authorization program that specializes in help you receive quality prescription medications, and at the same time, helping you maximize your Plan benefits. This program helps ensure that you get the right prescription medications at the right time because the program evaluates the necessity, appropriateness, and efficiency of the use of certain prescription medications.

Generally, prescription medications will be pre-authorized if they are Medically Necessary and used in a manner consistent with the treatment of the condition for which they are prescribed.

You, a family member, your Physician or your pharmacy must call the Pharmacy Benefit Manager for pre-authorization. If you do not obtain pre-

authorization, your prescription medications will not be covered.

As provided in the Covered Prescription Drug Expenses section, the following prescription medications must be pre-authorized before you receive them:

- ✚ Injectable drugs, including injectable contraceptives, injectable ED medications, injectable testosterone and injectable prescription vitamins; self-injectable bee sting kits, glucose injection. Imitrex and insulin need not be pre-authorized;
- ✚ Retin-A for non-cosmetic purposes;
- ✚ Acne medications; and
- ✚ Specialty medications.

In addition, the definition of **Dependent** as shown on page 70 is changed effective January 1, 2015 to **add** the following:

- Child includes your:
 - Child for whom you or your Spouse have been named legal guardian by a court of law.

You may add a child who meets this definition retroactively to January 1, 2015 by submitting a certified copy of the court record to the Fund Office, along with the Child's original birth certificate and Social Security Number, and submitting said documents by March 31, 2016.

A Final Note

Please keep this Summary of Material Modifications (SMM), which describes changes to information provided in the most recent Summary Plan Description/Plan Document (SPD), with your SPD for future reference. Only the provisions described in this letter are changing; no other Plan changes are being made at this time. If you have any questions about this change or your benefits, please contact the Fund Office at 708-449-9004.

This notice is a Summary of Material Modifications (SMM), within the meaning of Section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. This SMM describes an important change to the most recent Summary Plan Description/Plan Document for the Local Union No. 9, IBEW and Outside Contractors Active Employees Health and Welfare Plan effective January 1, 2015. Please keep this SMM with your Plan Document/SPD for future reference. An SMM is not the SPD, nor is it the Plan Document itself; rather, it is a supplemental document to your Plan Document/SPD. Please contact the Fund Office to request copies of the Plan Document/SPD or any SMM relating to the Plan.