IMPORTANT NOTICE REGARDING BENEFIT CHANGES

To All Participants enrolled in the following Teamsters Local 731 Health and Welfare Funds:

- Local No. 731, I.B. of T. Health and Welfare Fund; (Formally known as Private Scavengers and Garage Attendants & Linen and Laundry Health and Welfare Funds)
- Health & Welfare Fund of the Excavating, Grading and Asphalt Craft Local No. 731 (Hereinafter referred to as "Plan or Plans")

The Board of Trustees announce the following changes to the Health and Welfare Plans:

Vision

Effective January 1, 2019, the frame allowance under Vision Service Plan (VSP) has been increased from \$200.00 to \$225.00. Also, all covered children up to age 19 can get frames and lenses (if prescription changes a minimum of .50 diopter) every twelve months instead of every 24 months.

To get the most coverage from your VSP Plan, use a VSP Participating Provider. Go to www.vsp.com or call (800) 877-7195 for more information.

Bariatric Surgery

The Private Scavengers Health and Welfare Plan has been changed to include coverage for bariatric surgery for eligible participants over age 18, once per lifetime, provided that all of the following criteria have been satisfied:

- a. The participant is diagnosed with morbid obesity and satisfies <u>at least one</u> of the following criteria:
 - a. BMI (body mass index) greater than or equal to 45 kg/meter squared.
 - b. BMI greater than or equal to 40 kg/meter squared with at least <u>one</u> of the following comorbid conditions: (1) hypertension, (2) dyslipidemia, (3) diabetes, or (4) coronary heart disease.
- b. The participant participates in a weight loss program (monitored and documented by a health care provider) for at least six (6) consecutive months prior to the surgery and satisfies one of the two criteria listed above after participation in said weight loss program.
- c. The Plan's Medical Review Organization has determined that the surgery is medically necessary.
- d. The bariatric surgery is performed by a PPO provider at a PPO facility. Claims from non-PPO providers for bariatric surgery will not be paid under any circumstances.

Provided that the bariatric surgery is approved in accordance with the guidelines above, any preoperative testing and any medically necessary treatment for complications of the approved bariatric surgery will also be considered Covered Medical Expenses.

Prescription Drug - Specialty

Specialty drug coverage in regard to the Plan is assisted by a firm, IPC Evergreen/PillarRx. The purpose is to obtain manufacturer provided discounts concerning high cost drugs, so you and the Plan pay less and save more.

Effective January 1, 2019, IPC Evergreen/PillarRx is being replaced by a new firm, Payer Matrix. Payer Matrix is able to access discounts on a larger number of specialty drugs, thereby providing more cost relief to both you and the Plan. Our goal with implementing this new vendor is that your co-pay will be entirely covered by the discount. In order to accomplish this, the new specialty drug co-payment is 100% of the discounted cost of the drug. In most case, Payer Matrix will be able to obtain alternate funding for the drug and there would be no member co-payment. If alternate funding is not available, the drug will be subject to the current tiered co-pay of \$15.00 for generic, \$45.00 for formulary brand, and \$95.00 for non-formulary brand, up to a 30-day supply.

Questions or concerns...please call the Fund Office for assistance.

Prescription Drug - Formulary

Effective February 1, 2019, the prescription drug formulary managed by MagellanRx will also change. Non-specialty Brand drugs not on the MagellanRx formulary will be excluded from coverage, except in circumstances of medical necessity. Medical necessity determinations including appeals will be handled by MagellanRx and their contracted independent review organizations.

Our Prescription Benefit Manager, MagellanRx will be notifying every plan participant that is affected by this formulary change prior to February 1, 2018.

For more information with regard to the MagellanRx Precision Formulary, kindly search MagellanRx Precision formulary or call MagellanRx at (800) 424-5961.

Questions?

Kindly review our website at www.ibt731funds.org or contact the Fund Office at (630) 887-4150.

PLEASE RETAIN THIS NOTICE WITH YOUR SUMMARY PLAN DESCRIPTION BOOKLET FOR FUTURE REFERENCE

Summary of Material Modifications EIN 36-2392752/PN 501 EIN 36-6073849/PN 501 December 2018

