

WASHINGTON WHOLESALERS HEALTH AND WELFARE FUND
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March, 2014

SUMMARY OF MATERIAL MODIFICATIONS #3

The Board of Trustees of the Washington Wholesalers Health and Welfare Fund (“Fund”) has adopted several changes to its summary plan description (“SPD”) in order to comply with the Patient Protection and Affordability Health Care Act. This document summarizes these changes so you should keep it with your SPD.

I. Effective April 1, 2014, the second and third paragraphs of the section entitled “GRANDFATHERED PLAN” of the SPD are deleted and replaced with the following:

The Affordable Care Act requires that all plans: 1) provide dependent coverage for dependent children up to the age of 26 regardless of marital status, financial dependency, residency, or student status; 2) eliminate lifetime limits on essential health benefits; 3) phase out annual dollar limits on essential health benefits over a three-year period, ending with the plan year beginning on April 1, 2014; 4) eliminate exclusions for pre-existing conditions; and 5) prohibit the rescission of coverage except in cases of fraud or misrepresentation. The Fund has made the required amendments to the Plan in order to comply with these requirements, such as providing coverage for dependent children up to the age of 26 and clarifying that coverage will not be rescinded by the Plan (without just cause).

The Fund does not have any lifetime limits on essential benefits and it does not have any pre-existing condition exclusions. Additionally, as of plan year beginning on April 1, 2014, the Fund does not have an annual limit on essential health benefits.

II. Effective April 1, 2014, the row entitled (“Annual Maximum”) in the chart under “SUMMARY OF BENEFITS FOR PARTICIPANTS AND ELIGIBLE DEPENDENTS” is deleted.

III. Effective April 1, 2014, the definition of Initial Eligibility (New Employees) is amended to add the following language at the end:

however, in no event will a new hire’s initial eligibility be later than the 90th day after the completion of 1200 hours of service.

IV. Effective April 1, 2014, the following annual dollar limits are removed:

- The \$50,000 major medical limit on human organ transplants;
- The \$1,000 limit on TMJ treatment;
- The \$200 limit on physical examinations and immunizations; and
- The \$100 limit on blood sugar monitors and other medical paraphernalia.

All other non-dollar limits in the Plan are still applicable.

GRANDFATHERED PLAN

The Washington Wholesalers Health and Welfare Fund believes this plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that the Washington Wholesalers Health and Welfare Fund may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Plan Administrator at the telephone numbers listed below. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

If you have any questions, please contact the Fund Office at (410) 872-9500 or toll free at 800-845-8518. Membership Services Representatives are available to assist you Monday through Friday from 8:30 AM until 5 PM.

We suggest that you keep this Summary Material Modifications with your Summary Plan Description. If you should have any questions about the coverage provided under the Fund, the Summary Plan Description or changes, please contact the Administrative Manager.

Very truly yours,

The Board of Trustees