

December, 2013

### Summary of Material Modification #5

The Board of Trustees of the Teamsters Local 966 Health Fund announces the following changes:

#### I. PRESCRIPTION DRUG PROGRAM CHANGES

Effective March 1, 2014, there will be a modest increase in co-payments for covered prescription drugs obtained through Participating Pharmacies in the Prescription Drug Program through Envision Rx. The new co-pays for up to a 30-day supply at retail will be:

	Your co-pay	
	<u>Retail</u>	
Generic:	\$20	(previous co-pay \$15)
Preferred Brand:	\$35	(previous co-pay \$30)
Non-Preferred Brand:	\$60	(previous co-pay \$55)

The Fund also offers the option to obtain medications prescribed for long-term use, (typically referred to as “maintenance medication”) through a mail order facility. You may receive up to a 90-day supply (3-months) of maintenance medications through the Mail Order Program. The co-pay for up to a 90-day supply also increases modestly to:

	Your co-pay	
	<u>Mail</u>	
Generic:	\$ 30	(previous co-pay \$25)
Preferred Brand:	\$ 60	(previous co-pay \$55)
Non-Preferred Brand:	\$110	(previous co-pay \$105)

As a reminder, any medication available “over the counter” *including* non-sedating antihistamines (NSAs) and proton pump inhibitors (PPIs) will not be covered under the Prescription Drug Program or Fund unless required under the Affordable Care Act.

## **II. CHANGE IN COST-SHARING**

Effective March 1, 2014, all Covered Expenses incurred on and after March 1, 2014 and provided by **Preferred Providers** (in-network benefits) will be paid at 70%. Eligible Participants and their Dependents will pay the remaining 30%. Prior to this, the Fund paid 80% and Eligible Participants and Dependents paid 20%. Covered Expenses provided by **Non-preferred Providers** (out-of-network) will continue to be paid at 50% of Allowed Charges.

**This co-insurance will not apply to in-network annual physicals or preventive care benefits such as well woman, mammograms, PSA tests, etc. Preventive care benefits and annual physicals will be covered at 100% of Allowed Charges for in-network providers.**

As a reminder, properly completed claims must be submitted within twelve (12) months of the date of incurred liability.

## **III. CHANGE IN ANNUAL DEDUCTIBLE**

Beginning March 1, 2014, Eligible Participants and each Eligible Dependent will have an annual deductible of \$500 with no maximum per family. The deductible prior to this was \$250 per person with no maximum per family. This will apply to any Covered Expense incurred on and after March 1, 2014.

## **IV. CHANGE IN ANNUAL OUT-OF-POCKET MAXIMUM**

Also beginning March 1, 2014, the out-of-pocket maximum is changed to \$6,300 per person, with a family maximum of \$12,700 inclusive of the annual deductible (above) per calendar year. Previously, the individual out-of-pocket medical expense limit per calendar year was \$5,000 per person for in-network provider charges.

## **V. COVERAGE FOR NEWLY ELIGIBLE EMPLOYEES ON AND AFTER MARCH 1, 2014**

New employees becoming eligible AFTER March 1, 2014 will have **Single Only Coverage** for the first six months of coverage. Following six-consecutive months of coverage, **Family Coverage** will be made available. Participants must provide adequate information about marital and dependent status in order to receive dependent coverage.

**VI. BOARD OF TRUSTEES**

The Board of Trustees of the Teamsters Local Union 966 Health Fund is:

**Union Trustee**

James R. Anderson  
Teamsters Local 966 Health Fund  
7130 Columbia Gateway Drive, Suite A  
Columbia, MD 21046

**Employer Trustee**

John O'Meara, Jr.  
Teamsters Local 966 Health Fund  
7130 Columbia Gateway Drive, Suite A  
Columbia, MD 21046

**We suggest that you keep this Summary of Material Modifications with your Summary Plan Description. If you should have any questions about the coverage provided under the Teamsters Local Union 966 Health Fund, the Summary Plan Description or these changes, please contact the Fund Office at 888-490-8800.**

Sincerely,

**THE BOARD OF TRUSTEES**

SMM#5/SPD 1/2009