

Date January 2020

To: All Active Employees, Retirees and their Dependents, including COBRA beneficiaries, of the PAMCAH-UA Local 675 Health and Welfare Plan

PARTICIPANT NOTICE ABOUT BENEFIT MODIFICATIONS

This Participant Notice will advise you of certain material modifications that have been made to the PAMCAH-UA Local 675 Health and Welfare Plan (the “Plan”). **This information is VERY IMPORTANT to you and your dependents.** Please take the time to read it carefully. Note: All benefits are subject to the terms of the Plan.

**Changes to Hemophilia Medication Benefit
Effective January 1, 2020**

Effective January 1, 2020 and subject to all other terms of the Plan, all clotting factor dispensations will no longer be covered through the Fund’s prescription drug benefits (administered by OptumRx). **These medications will be covered under the Plans’ medical benefit, at the same cost-sharing as previously applied (that is, no charge, no deductible for generic medications, or 10% coinsurance, no deductible, for brand name medications when not mail-order) through a Hemophilia Alliance pharmacy.** All cost-sharing for clotting factor dispensations received from a Hemophilia Alliance pharmacy will count toward the Plans’ out-of-pocket limit as well.

Medications filled at a non-Hemophilia Alliance pharmacy (including any OptumRx pharmacy) will be considered out-of-network. Out-of-network claims for clotting factor dispensations will be covered at the same cost-sharing of the allowed amount as applicable in-network (that is, no charge, no deductible for generic or mail-order medications, or 10% coinsurance, no deductible, for brand name medications when not mail-order). However, because the out-of-network pharmacies have not agreed to accept the allowed amount as payment in full, you may be balance billed for the remaining costs. This will result in higher out-of-pocket costs for you.

For assistance locating a network provider, please contact the Trust Fund Office.

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NOTICE OF STATUS AS A GRANDFATHERED PLAN

Because this Plan is a “grandfathered health plan,” we are required by law to provide this notice to you:

This group health plan 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 your plan 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 Administrative Office at 808-536-4408. 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.

Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions. Should you have any questions, please contact the Trust Fund Office at 808-536-4408.

Sincerely,

Board of Trustees

Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions regarding the Plan changes, please contact the Administrative Office.

In accordance with ERISA reporting requirements this document serves as your Summary of Material Modifications to the Plan. Please keep this document with your copy of the Summary Plan Description. In the event of any conflict, the terms of the Plan and SPD will control unless specified otherwise herein. The Board of Trustees reserves its right to amend or terminate the Plan in whole or in part at any time in its sole discretion.

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