



# CARPENTERS TRUSTS

of Western Washington

Health and Security Retirement Vacation Industry Fund

## Carpenters Health and Security Plan of Western Washington

### Summary of Material Modifications

January 1, 2016

This is a Summary of Material Modifications (SMM) describing changes to your health plan adopted by the Board of Trustees. Please read this document carefully and keep it with your 2009 edition of the Carpenters Health and Security Plan booklet.

The Trustees adopted the following changes to the Carpenters Health and Security Plan of Western Washington. ***These changes are effective January 1, 2016.***

#### Non-Grandfathered Status Under Affordable Care Act

Effective January 1, 2016, the plan is no longer considered “grandfathered” under the Affordable Care Act (ACA).

#### Coinsurance Maximum and Out-of-Pocket Maximum

The plan currently has an annual coinsurance maximum of \$2,300/person and \$4,600/family. These coinsurance maximums have not changed. However, to comply with the Affordable Care Act (ACA), the plan has implemented an annual out-of-pocket maximum to account for other out-of-pocket expenses that do not apply to the annual coinsurance maximum. This annual out-of-pocket maximum for medical benefits is \$4,000/person and \$8,000/family. The following cost-sharing expenses will accumulate towards this overall out-of-pocket maximum:

- Coinsurance – \$2,300/person and \$4,600/family.
- Annual deductible – \$200/person and \$400/family.
- Office visit copayment – \$10 for in-network providers and \$20 for out-of-network providers.
- Emergency room copayment – \$50/visit.

The plan has also implemented an annual out-of-pocket maximum for prescription benefits through the pharmacy program. This annual out-of-pocket maximum is \$2,850/person and \$5,700/family. The following cost-sharing expenses will accumulate towards this overall out-of-pocket maximum:

- Retail pharmacy copayments.
- Mail order copayments.
- Retail Refill Allowance (RRA) coinsurance.

## Preventive Care Services

The plan was amended to cover recommended preventive care services required by the Affordable Care Act (ACA) (including additional preventive care and screenings for women) without cost-sharing. This means the deductible, coinsurance and copayments will not be applied. Preventive care services received by an out-of-network provider are subject to the maximum allowed fee as determined by the plan. To view a list of the recommended preventive services for adult men, adult women and children under the Affordable Care Act, please visit <http://www.healthcare.gov/preventive-care-benefits> or contact a Customer Service Representative at Carpenters Trusts: (800) 552-0635.

## Clinical Trials

The plan does not provide benefits for services and supplies that are Experimental and/or Investigational. However the plan was amended to provide that medically necessary routine patient care costs for items and services furnished in connection with an approved clinical trial will not be considered Experimental or Investigational if the item or service would otherwise be covered for a participant or dependent who is not enrolled in the clinical trial. An approved clinical trial is a phase I, II, III, or IV clinical trial that is conducted in relation to the prevention, detection, or treatment of cancer or other life-threatening disease or condition. All of the following limitations apply to such coverage:

- All applicable plan limitations for coverage will apply to routine patient care costs in clinical trials; *and*
- All utilization management rules and coverage policies that apply to routine care for patients not in clinical trials will also apply to routine patient care for patients in clinical trials; *and*
- Patients must meet all applicable plan requirements for precertification; *and*
- To qualify, a clinical trial must have a written protocol that describes a scientifically sound study and have been approved by all relevant institutional review boards (IRBs) before participants are enrolled. Providers will not routinely be required to submit documentation about the trial to the plan, but the plan can, at any time, request such documentation to confirm that the clinical trial meets current standards for scientific merit and has the relevant IRB approval(s); *and*
- Patients must be eligible to participate in the approved clinical trial according to the trial protocol.

The following services and supplies are *not* covered:

- The actual clinical trial or the investigational team;
- Items and services solely for data collection that are not directly used in the clinical management of the patient; or
- Services that are clearly inconsistent with widely accepted and established standards of care for a particular condition.

The plan will investigate claims that might be considered Experimental or Investigational. The plan may consult with medical professionals to determine whether the treatment is excluded as

Experimental or Investigational, or whether it is covered as part of an approved clinical trial. All clinical trials must be preauthorized by Aetna.

## **Vision**

Vision benefits will be provided through VSP Vision Care, a company that contracts with optometrists and ophthalmologists across the country and around the world. Details about this benefit change will be provided in December 2015. Eastern Washington, Idaho, Montana and Wyoming participants and dependents do not have vision coverage.

## **Outpatient Dialysis Treatment Benefits for End-Stage Renal Disease (ESRD)**

If a participant or dependent is diagnosed with end-stage renal disease (ESRD), he or she may be eligible for Medicare coverage by nature of the diagnosis. The participant or dependent is not obligated by the plan to apply for and enroll in Medicare Part A and/or Part B if he or she has ESRD. However, enrolling in Medicare when eligible may offer some protection from balance billing by the provider of ESRD services. Balance billing means the difference between the billed amount and the amount allowed by the plan and/or Medicare.

Benefits for outpatient kidney dialysis for treatment of ESRD have been amended. Benefits are now provided by the plan as follows:

- If a participant or dependent is not yet eligible to enroll in Medicare, benefits are provided for dialysis as described in “Kidney Dialysis” in the plan booklet.
- If a participant or dependent is enrolled in, or is eligible to enroll in, Medicare, and Medicare becomes or is eligible to become the secondary payer for ESRD services and supplies (regardless of whether the participant or dependent is actually enrolled in Medicare), benefits for kidney dialysis are provided at 150% of the current Medicare allowed amount.
- If Medicare becomes primary payer for ESRD services, the plan pays secondary to Medicare and coordinates benefits up to 100% of the then current Medicare allowed amount for kidney dialysis.

Notwithstanding the above, the plan may, at its sole discretion, agree to a contractual arrangement for payment with a provider of ESRD services. The contract may allow for a different payment for ESRD services than listed above or in the plan booklet, but in no circumstances will a contractual arrangement allow for a payment less than the payments listed above.

In order to ensure the correct coordination of claim payments between the plan and Medicare, a participant or dependent is required to provide Carpenters Trusts with the effective date of Medicare coverage.

## **Pharmacy Program**

The pharmacy program has been amended to cover a limited number of over-the-counter (OTC) medications with a \$0 copayment, when prescribed by your physician. The OTC medications

must be recommended preventive care services under the Affordable Care Act (ACA). The covered OTC medications include:

- OTC aspirin (325mg and 81 mg) for cardiovascular disease for men and women.
- OTC folic acid supplements (.04 mg and 0.8 mg) for women who may become pregnant.
- OTC vitamin D for community dwelling adults age 65 or older at increased risk for falls.
- OTC iron supplements for children age 6 months through 12 months at risk for anemia.
- OTC bowel preparation agents for adults age 50 through 75.

For a current list of OTC medications that are covered by the ACA, you may contact Express Scripts at (800) 669-3897 or visit <http://www.healthcare.gov/preventive-care-benefits>.

Additional changes to the pharmacy program include the following items when covered under the preventive care guidelines of the ACA. These items have a \$0 copayment:

- Vaccines.
- Certain contraceptives for women, when prescribed by a physician.
- Breast cancer prevention drugs subject to clinical criteria, when prescribed by a physician.

Limitations may apply with these items. Please contact Express Scripts for details: (800) 669-3897.

### Self-Pay Rate Changes

The monthly contribution rates for the various benefit packages will change as detailed in the chart below. These rates are reviewed each year to keep pace with the cost of medical and prescription coverage under this plan.

<b>Self-Contribution Coverage (Family Rate)</b>	<b>Monthly Rate</b> Western and Central Washington	<b>Monthly Rate</b> Eastern Washington, Idaho, Montana, Wyoming
Unemployed or temporarily disabled (without dental)	\$487	\$481
Unemployed or temporarily disabled (with dental)	\$544	\$504
Military (without dental)	\$253	\$250
Military (with dental)	\$283	\$262
<b>COBRA Continuation Coverage (Family Rate)</b>		
COBRA (without dental)	\$993	\$981
COBRA (with dental)	\$1,110	\$1,028
COBRA disabled (without dental)	\$1,460	\$1,442
COBRA disabled (with dental)	\$1,633	\$1,512
<b>Retiree Health Plan (Individual Rate)</b>		
Not Eligible for Medicare	\$803	\$803
Eligible for Medicare	\$440	\$440
SecureHorizons	\$452	N/A

## Claim Appeal Procedures

### Appeal Procedures

The Claim Appeal Procedures are described in the Carpenters Health and Security Plan booklet. Generally, a claimant who believes he or she did not receive the full amount of benefits to which he or she is entitled, has the right to appeal to the Board of Trustees, provided a written request for appeal is submitted within 180 days after receipt of notification of an adverse decision. A properly submitted appeal will be presented to the Trustees for review.

### Amendment Effective January 1, 2016

A claimant who remains dissatisfied with the Trustees' decision on appeal, may bring a civil action under ERISA § 502(a). Any action must be brought within 180 days after the Trustees' decision was issued. Effective for appeals reviewed by the Trustees on and after January 1, 2016, the plan has been amended to allow a claimant to request external review by an Independent Review Organization (IRO) as an alternative to filing a civil action. ***External review is only available if the claim on appeal involves medical judgment or the retroactive rescission of health coverage.*** There is no external review for non-healthcare claims, such as time loss, accidental death and dismemberment, or life insurance.

A request for external review must be filed with Carpenters Trusts within four months from the claimant's receipt of the Trustees' decision on appeal. Requests for external review may be mailed to the following address:

Attn: Appeals  
Carpenters Trusts of Western Washington  
PO Box 1929  
Seattle, WA 98111-1929

Failure to file a request for external review within the four-month period will end the claimant's ability to seek external review.

### Preliminary Review of External Review Request

Within five business days of receipt of a request for external review, the plan will complete a preliminary review of the request. Within one business day after completion of this review, the plan will notify the claimant of its decision. If the request is not eligible for external review, the plan will notify the claimant. If the request for external review is incomplete, the plan will identify what is needed and the claimant will have the longer of 48 hours or the remaining portion of the four-month external review request period to provide the information. If the external review request is complete and eligible for external review, the plan will refer the matter to an IRO.

## **Review by Independent Review Organization**

If a properly filed request for external review is received, the plan will provide the IRO with the required documentation in the time required by applicable federal regulations. The IRO will provide a response to the claimant within 45 days after it has received the request to review.

If the IRO directs that benefits be paid, benefits will be provided under the plan in accordance with the decision. If the decision continues to be adverse, the claimant has the right to bring a civil action under ERISA § 502(a). A claimant must exhaust the plan's Claim and Appeal Procedures prior to filing a civil action. Any civil action seeking to overturn a denial or other decision of the Trustees must be brought within 180 days of the Trustees' issuance of a written decision on appeal. A failure to file a civil action within the 180 days will bar the right to further review of the appeal.

## **Summary of Benefits and Coverage (SBC)**

In accordance with the Affordable Care Act (ACA), the Trust is required to provide a Summary of Benefits and Coverage (SBC) to all participants and dependents. The enclosed SBC is for the benefit package in which you are currently enrolled. Please note: The SBC furnished to the participant will be considered provided to dependents unless the plan has been advised of a different address for dependents.

A Uniform Glossary of Terms has also been published by the government. This document is intended to describe terms commonly used in health insurance coverage, such as "deductible" and "copayment." You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or you can call Carpenters Trusts at the telephone number below.

## **Questions?**

If you have any questions regarding the information contained in this notice, please contact a Customer Service Representative at Carpenters Trusts: (800) 552-0635.

Board of Trustees  
Carpenters Health and Security Trust  
of Western Washington