



CARPENTERS TRUSTS

of Western Washington

Health and Security Retirement Vacation Industry Fund

CARPENTERS HEALTH AND SECURITY TRUST OF WESTERN WASHINGTON

SUMMARY OF MATERIAL MODIFICATION JANUARY 1, 2014

The following changes will be made to the Carpenters Health and Security Plan of Western Washington for dates of service on and after January 1, 2014. These changes affect all benefit packages including the Employee Health Plan for all geographic areas, the Retiree Health Plan for all geographic areas, and Self-Contribution Coverage and COBRA for all geographic areas. These changes are required by two federal laws – the Affordable Care Act (ACA) and the Mental Health Parity and Addiction Equity Act (MHPAEA).

Changes To Plan Benefits

The following changes will be made to the following healthcare benefits for dates of service on and after January 1, 2014. The Carpenters Health and Security Plan will cover most of the services listed below at 90% until the patient's coinsurance reaches \$2,300 at which time it will cover these services at 100% for the remainder of the calendar year.

- Mental Health Care – Outpatient services will be paid at 90%/100% with no annual visit limit. There will continue to be a \$10 copayment for all network provider visits and a \$20 copayment for all out-of-network provider visits.
- Mental Health Care – Inpatient services will be paid at 90%/100% with no annual visit or day limit.
- Neuropsychological Testing – These services will be paid at 90%/100% with no annual maximum.
- Chemical Dependency – Inpatient services will be paid at 90%/100% with no annual visit limit.
- Chemical Dependency – Outpatient service will be paid at 90%/100% with no annual visit limit.
- Transplant Donor Benefits – These services will continue to be paid at 90%/100% but there will no longer be a \$25,000 donor expense limit. The 12-month waiting period as described in the plan booklet remains in effect.
- Vision Care For Dependent Children Age 18 and Under – Eye exams and corrective lenses will be paid at 80%. These services are not subject to the annual deductible and expenses do not apply toward the \$2,300 annual coinsurance maximum. Frames will continue to be paid based on the existing fee schedule.
- Coverage for eligible dependent children will be extended through age 25, regardless of other available coverage. This plan will, however, be secondary to a plan that covers a dependent as an employee.
- Annual Maximum – There will be no annual or lifetime maximum for covered services and supplies for essential benefits.

The 90%/100% payment levels will also apply to those services listed above that are essential health benefits and were previously covered at 80%.

(over, please)

Express Scripts Prescription Drug Plan Changes

Effective for purchases on and after January 1, 2014, the Carpenters Health and Security Plan will adopt the Express Scripts “National Preferred Prescription Formulary.” This change will remove 48 drugs from the existing formulary, making them noncovered drugs. There are clinically effective alternatives for each of the 48 drugs being removed, all of which are on the new “National Preferred Prescription Formulary.” Any participant or dependent and his or her healthcare provider will be contacted directly by Express Scripts to discuss this formulary change and, if appropriate, facilitate a change in the prescribed drug. This formulary change applies to all participants, retirees and dependents, *except* those participants, retirees and dependents who are covered under the Retiree Health Plan and are also covered by Medicare. Medicare Part D has its own formulary rules.

Dental Benefits Administered Through Washington Dental Service

Effective January 1, 2014, Washington Dental Services will administer the dental benefits available under the Carpenters Health and Security Plan. The Trust Office will provide details about this change later in the year.

Retiree Transitional Plan

Effective December 31, 2013, the Retiree Transitional Plan will be terminated. This plan has a \$10,000 annual maximum and is available to retirees from Eastern Washington, Idaho, Montana, and Wyoming. Retirees who are currently covered by the Retiree Transitional Plan will be offered coverage in the Retiree Health Plan. The 2014 monthly rate for the Retiree Health Plan is \$680 per person.

Important Notice About “Grandfathered” Status

The Carpenters Health and Security Trust of Western Washington believes this plan is a “grandfathered health plan” under the Affordable Care Act or ACA. As permitted by ACA, 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 ACA that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, the plan must comply with certain other consumer protections in ACA, for example offering dependent eligibility through age 26.

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 PO Box 1929, Seattle, WA 98111. 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.

Questions?

If you have questions about the January 1, 2014 benefit changes, please contact a Customer Service Representative in the Claims Department at the Trust Office in Seattle:

(206) 441-6514 Seattle Area
(800) 552-0635 Nationwide
www.ctww.org