

# PLUMBERS' WELFARE FUND LOCAL 130, U.A.

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December 9, 2022

## SUMMARY OF MATERIAL MODIFICATION

### PLUMBERS' WELFARE FUND, LOCAL 130, U.A.

Dear Active Participant:

The Board of Trustees of the Plumbers' Welfare Fund, Local 130, U.A. ("Plan") is pleased to inform you that it has made improvements to the Plan. This Notice describes these improvements and is considered to be a "Summary of Material Modifications" or "SMM" altering the terms of the current Summary Plan Description for each of these benefit changes.

#### New Maternity Dependent Coverage Benefit

Effective June 1, 2022, the Plan will cover the following maternity-related expenses for the care of the delivering dependent child of an employee covered by the Plan:

- prenatal care, hospital stay, delivery charges, anesthesia, laboratory, and radiology.

Covered benefits will be paid after the Deductible is applied. The Plan covers 100% of the first \$1,000.00, plus 80% of the Reasonable and Customary Charges or Fees of an in-network provider exceeding \$1,000.00. The Plan will pay 70% of the Reasonable and Customary Fees or Charges for approved covered expenses provided by a non-network provider, except in cases of an emergency.

Coverage excludes the hospital stay and related charges of the newborn child and any benefits not determined to be Medically Necessary.

#### New Step Therapy Program

In many instances there are a number of drugs available to treat a particular long-term Sickness (like arthritis, asthma or high blood pressure) or Injury. Effective January 1, 2022, a Step Therapy Program administered by the Plan's Pharmacy Benefit Manager, Express Scripts, has been implemented in order to reduce the costs of the Plan and its Participants.

Under the Step Therapy Program, the Plan will require that you first try an available generic medication or a lower cost brand medication in the therapeutic class. These are referred to as "first-line" medications. If you elect to purchase a higher cost medication (a "second-line" medication) without trying an appropriate generic or lower cost brand name medication, you will be denied coverage of the second-line medication.

If you try the generic or lower cost brand medication, and your Physician finds that the first-line medication is not effective in treating your condition, you will be able to receive the higher cost second-line brand medication at the applicable copayment.

The prescription benefit manager or the pharmacist will communicate with you and/or your Physician about any drugs that you are taking for which there is an available first-line medication to treat your condition. You can also log in to your account at [www.express-scripts.com](http://www.express-scripts.com) to find out if step therapy applies to the medication your Physician prescribed. Select **Price a Medication** from the menu under **Prescriptions**. After you look up a medication, look to see if a generic equivalent is also listed as available; if one is not, click View formulary alternatives to see a list of first-line alternative options. If your medication does require step therapy, give the list of first-line alternatives to your doctor to choose a medication that your plan covers that best treats your condition, or call Express Scripts at the number on your member ID card.

If you do not properly complete the Step Therapy Program requirements, Express Scripts may deny your claim. In which case, you may submit an appeal to the Fund Office for review within 180 days of Express Scripts' decision. The Fund Office will make a determination within a reasonable period of time, taking into account the medical circumstances, but no later than 15 days after receipt of the appeal. If that claim is again denied by the Fund Office, you may appeal that denial to the full Board of Trustees which will make a determination within five days following the next scheduled full Board of Trustees meeting which immediately follows the Plan's receipt of a request for review, unless the request for review is received within 30 days preceding the date of the next scheduled Board of Trustees meeting. In such case, a benefit determination may be made by no later than the date of the second meeting following the Plan's receipt of the request for review. Special circumstances may arise which may require a further extension of time to the third meeting of the Board of Trustees. In such instances, the Fund Administrator will notify you of the extension. Consistent with Sections 16.6 and 16.7, you will receive a notice of adverse benefit determination in the event your appeal is denied.

Please review Article XVI of your Plan/SPD for further information about your rights and obligations when filing a claim or an appeal.

We have enclosed a list of Frequently Asked Questions from ESI related to the Step Therapy Program.

### **Military Benefit Clarification**

The Military Benefit of \$300 per week (reduced by applicable taxes) up to 52 weeks applies separately to each tour of duty.

### **New Employer Trustee**

Effective June 27, 2022, a new Employer Trustee, Derek Patton of Tribco Construction Services, has joined the Fund replacing Trustee Mike Falk.

Should you have any questions concerning this SMM, please contact the Fund Office at (312) 226-5000.

Sincerely,

Board of Trustees  
Plumbers' Welfare Fund, Local 130 U.A.

*This announcement, which serves as a Summary of Material Modification ("SMM"), contains only highlights of recent changes to the Plan. In order to understand this announcement in context, please refer to your Plan Document and Summary Plan Description ("SPD"). If there is a discrepancy between the wording here and the Plan Document and SPD, the Plan Document and SPD will govern, except to the extent expressly modified in this SMM. The Trustees reserve the right to amend, modify, or terminate the Plan at any time. Please file this SMM together with your SPD.*