



THE ROAD
TO A *healthier* YOU

Summary of Material Modification

Dear Active or Pre-Medicare Participant:

November 2016

The Trustees announce the following changes to the Health and Welfare plan of benefits:

Retiree Dental Participation

Effective November 1, 2016 participation in the retiree dental program may commence on the dates noted below following the occurrence of any of the 3 below-stated events:

- The first date of participation in the retiree health program
- The first of the month following the loss of dental coverage from a spouse's employer's group dental plan
- The first day a retiree becomes eligible for Medicare

You must request to enroll no later than 30 days following the event by contacting the Fund Administrator, Wilson-McShane Corporation, at (952) 854-0795, toll free at (800) 535-6373.

Non-Bargaining Employees of Public Sector Employers Participation in the Retiree Contribution Allowance Program of the Fund's Retiree Plan

Effective January 1, 2018, accumulated Service Credits under the Retiree Contribution Allowance Program will be frozen for **non-bargaining employees of public sector employers** currently participating in the Local 49 Health and Welfare Fund. Employees of public sector employers that have signed a Participation Agreement with the Local 49 Health and Welfare Fund before November 1, 2016 may accrue, at most, one (1) additional year of Service Credit for 2017 work hours.

Effective November 1, 2016, non-bargaining employees of public sector employers that sign a Participation Agreement with the Local 49 Health and Welfare Fund on or after November 1, 2016, will not be eligible to accumulate Service Credits under the Retiree Contribution Allowance Program.

All current and future non-bargained employees of public sector employers, and their dependents, participating under their employer's Participation Agreement in the Local 49 Health and Welfare Fund will continue to be eligible for the Fund's Retiree Plan. Affected Employees will continue to be eligible to apply all credits they earned prior to this change toward the purchase of Retiree Plan Coverage.

Health Dynamics Primary Care MD Program

Effective January 1, 2017, participants and spouses who prefer to see their own physician for their annual physical examination versus participating in the Health Dynamics Comprehensive physical program may participate in the Health Dynamics Primary MD program (Primary MD). Primary MD allows participants and spouses to visit their own physician and have their physician fill out a questionnaire, including clinical data, to be supplied back to Health Dynamics for Health Dynamics' wellness consultation and coaching

purposes with the participant or spouse. Participants and spouses utilizing the Primary MD program are eligible for EITHER:

- A \$20 per month gym/health club membership reimbursement for up to 12 months (\$240 for the participant and an additional \$240 for their spouse if each participates); or
- Reimbursement for copayments, deductibles and coinsurance out-of-pocket expenses incurred under the medical plan up to \$240 per participant and an additional \$240 for their spouse if each participates.

The Fund continues to offer the Health Dynamics Comprehensive physical program which continues to offer the incentives described above, PLUS a waiver of the following year's deductible.

To schedule your Health Dynamics Comprehensive or Primary MD examination, call (1-866) 443-0164.

Out-Of-Pocket Copayments Will Count Towards the Medical Out-Of-Pocket Requirement

Effective December 1, 2016, all out-of-pocket Copayments, including \$25 Office Visit and Lab Charge copayments, will apply towards satisfying the Plan's \$2,500 single/ \$6,000 family medical out-of-pocket maximums.

New Specialty Drug Maximum Out-Of-Pocket Requirement

Effective February 1, 2017, participants prescribed specialty drug medications will be subject to an additional \$1,800 out-of-pocket maximum per family for specialty drugs. The specialty drug out-of-pocket maximum is in addition to the Plan's \$2,500 single/\$6,000 family prescription drug out-of-pocket maximums before the Plan will pay 100% of prescription drug expenses.

For example, if a participant has a prescription for a specialty drug, the first \$1,800 of specialty drug out-of-pocket expenses will be applied against the Plan's annual \$1,800 specialty drug out-of-pocket maximum. Once the \$1,800 specialty drug annual out-of-pocket maximum is exhausted, any remaining specialty drug expenses are applied against the standard prescription drug annual out-of-pocket maximums of \$2,500 single or \$6,000 family.

Please keep this Summary of Material Modification with your benefit plan booklet so that you will have an up-to-date description of the Fund's benefits. If you have any questions about this benefit change, please contact the Fund Office at the address or telephone number shown above.

Board of Trustees
Operating Engineers Local #49
Health and Welfare Fund

5627466v1/00821.001

5627466_1