

Southern California Lumber Industry Welfare Fund

Established Jointly by Employers and Local Unions

Telephone (562) 463-5080 ♦ (800) 824-4427 ♦ Facsimile (562) 463-5894

September 2014

SUMMARY OF MATERIAL MODIFICATIONS MANAGED CARE PLAN

The purpose of this notice is to advise you of changes to your prescription drug coverage through the Southern California Lumber Industry Welfare Fund effective January 1, 2015. The out-of-pocket maximum for all services combined (medical and prescription drug) will be \$6,600 person, \$13, 200 per family.

INDEMNITY MEDICAL PLAN

Effective January 1, 2015, for participants enrolled in the Indemnity Medical plan the combined annual out-of-pocket PPO maximum will increase to \$6,600 per person, or \$13,200 per family. This combined out-of-pocket maximum applies to both medical and prescription drug out-of-pocket expenses. As long as you are using PPO providers for your medical care and obtaining your prescription drugs from an Optum Rx provider, the maximum out-of-pocket you will pay for all combined services will be \$6,600 per person, or \$13,200 per family. Please remember, however, there is no limit on your out-of-pocket expenses when using a Non-PPO provider. Additionally, dental and vision benefits are separate and not considered for purposes of the annual out-of-pocket limit. The out-of-pocket maximums may change as they are subject to the Affordable Care Act and the health care index.

Be aware that certain expenses do not count towards the annual out-of-pocket maximum for a medical and prescription drug purchases. These include premiums, balance billed charges, services that this plan does not cover, and payments to Non-PPO providers or any contributions that you may be required to make pursuant to a current CBA.

KAISER PERMANENTE PLAN

Effective January 1, 2015, the out-of-pocket annual maximum for prescription drugs for participants enrolled in the Kaiser Permanente plan will be \$5,100 per person, \$10,200 per family. The out-of-pocket maximum for your medical expenses is \$1,500 per person, \$3,000 per family. These are two separate maximums and both must be met separately. Your out-of-pocket medical and prescription drug expenses are **NOT** combined to meet either maximum. Additionally, dental and vision benefits are separate and not considered for purposes of the annual out-of-pocket limit. The out-of-pocket maximums may change as they are subject to the Affordable Care Act and the health care index.

Be aware that certain expenses do not count towards the annual out-of-pocket maximum for a medical and prescription drug purchases. These include premiums, balance billed charges for out-of-network services, and services that this plan does not cover, or any contributions that you may be required to make pursuant to a current CBA.

AETNA PLAN

Effective January 1, 2015, the out-of-pocket annual maximum for prescription drugs for participants enrolled in the Aetna plan will be \$4,600 per person, \$7,200 per family. The out-of-pocket maximum for your medical expenses is \$2,000 per person, \$6,000 per family. These are two separate maximums and both must be met separately. Your out-of-pocket medical and prescription drug expenses are **NOT** combined to meet either maximum. Additionally, dental and vision benefits are separate and not considered for purposes of the annual out-of-pocket limit. The out-of-pocket maximums may change as they are subject to the Affordable Care Act and the health care index.

Be aware that certain expenses do not count towards the annual out-of-pocket maximum for a medical and prescription drug purchases. These include premiums, balance billed charges for out-of-network services, and services that this plan does not cover, or any contributions that you may be required to make pursuant to a current CBA.

These changes to your benefits are being made to assure that the benefits available through the Fund meet or exceed the minimum essential benefits and minimum value requirements of the Patient Protection and Affordable Care Act (PPACA), the healthcare reform law. This Summary of Material Modifications notes changes to the benefits set forth in the Fund's Summary Plan Description (SPD) effective October 1, 2009, and the Summary of Benefits and Coverage (SBC) effective January 1, 2013 (Indemnity Medical plan) and September 1, 2013 (Kaiser Permanente and Aetna).

Questions?

Questions regarding these changes can be directed to the Administrative Office at (800)824-4427. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (866) 444-3272 or www.dol.gov/ebsa/healthreform.

For questions about your rights, this notice, or assistance, you can contact: (800)824-4427.

SPANISH (Español): Para obtener asistencia en Español, llame al (800)824-4427.

CHINESE (中文): 如果需要中文的帮助, 请拨打这个号码 (800)824-4427.