

Puget Sound Electrical Workers Trust Funds

2815 2nd Avenue, Suite 300 • P.O. Box 34203 • Seattle, Washington 98124
Phone (206) 441-4667 or (866) 314-4239 • Fax (206) 505-9727 • Website www.psewtrusts.com

Administered by
Welfare & Pension Administration Service, Inc.

July 1, 2016

**TO: All Eligible Plan Participants
Puget Sound Electrical Workers Healthcare Trust**

RE: Benefit Changes Effective August 1, 2016

This is a Summary of Material Modification describing changes adopted by the Board of Trustees. Please be sure that you and your family read this information carefully and keep it with your Plan Booklet.

Out-of-Pocket Maximum Changes

Effective **August 1, 2016**, the following changes will be made to the Out-of-Pocket (OOP) maximum:

- The current Tier 1 and Tier 2 OOP terminology will be eliminated and the current Tier 2 OOP maximum of \$6,600 per person/\$13,200 per family will be removed.
- The current \$5,000 per person Medical coinsurance limit for Preferred Providers (in-network) will change to a **\$5,500 per person** per calendar year Medical OOP maximum.
- In addition, an **\$11,000 per family** per calendar year Medical OOP maximum will be established for Preferred Providers (in-network).

The calendar year deductible, copays and coinsurance for services from a Preferred Provider will count toward the Preferred Provider (in-network) calendar year OOP maximum. Once the OOP maximum is reached, Preferred Provider (in-network) services will be covered at 100% for the remainder of the calendar year.

In addition, coinsurance for the following services performed by a Preferred Provider will now apply towards the Preferred Provider (in-network) OOP maximum:

- Chiropractic Care
- Acupuncture Care
- Naturopathic Care
- Chemical Dependency
- Mental Illness
- Physical, Occupational, and Speech Therapy
- Foot Orthotics
- Diabetic Education
- Skilled Nursing Facility
- Home Health Care
- Hospice

The Non-Preferred Provider (out-of-network) deductible and coinsurance limit provisions will not change.

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In-Network Prescription Drug Changes

Effective **August 1, 2016**, a separate in-network calendar year prescription drug OOP maximum will be established. The OOP maximum will be **\$1,350 per person/\$2,700 per family**.

Copays for prescriptions filled at an in-network pharmacy for retail, mail order, and specialty drugs will apply to the OOP maximum. Once the OOP maximum for prescription drugs is reached, all copays for in-network prescription drugs will be waived for the remainder of the calendar year.

Copays for drugs purchased at out-of-network pharmacies will not count toward the OOP maximum and will not be waived once the OOP maximum is reached.

Summary of Benefits and Coverage

The Trust is required to provide a **Summary of Benefits and Coverage (SBC)** to all participants and beneficiaries. The enclosed SBC is for the Plan in which you are currently enrolled and replaces any prior SBC you may have received. 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.

It is important to note that the SBC is only a **summary** and does not replace the Summary Plan Description (Plan booklet). Included in the SBC are “coverage examples,” which estimate what the Plan benefit would be under two common medical situations. If you are eligible or enrolled in Medicare or have primary coverage through another group health plan, this plan’s benefits will be coordinated with that other plan and differ from what’s indicated in the SBC and the coverage examples. The SBC is not intended to be a cost estimator and should not be used to estimate your actual costs.

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.” Both the SBC and the Uniform Glossary of Terms have been posted to the Trust’s website at www.psewtrusts.com.

Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions. Should you have any questions, please contact the Administration Office toll free at 1-866-314-4239, option 1.

Board of Trustees

Puget Sound Electrical Workers Healthcare Trust

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