North Atlantic States Carpenters
Health Benefits Fund

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December 2023

SUMMARY MATERIAL MODIFICATIONS

Dear Plan Participant:

On behalf of the North Atlantic States Carpenters Health Benefits Fund, you are receiving this notice to inform you of important upcoming Health Fund changes to Participants of Locals 276, 277, 291 and 1163 the Health Reimbursement Account "HRA" based plan.

MEDICAL PLAN CHANGES FOR ACTIVE PARTICIPANTS

Effective April 1, 2024

In an effort to bring parity to the health coverage provided throughout the seven states of the North Atlantic States Health Benefits Fund the Board of Trustees has streamlined the health coverage options available to Participants.

The below summarizes the two benefit coverage options that will be offered as of April 1, 2024. These benefits will replace the coverage options previously provided. In general, with these changes you will share in the cost when you receive services; however, some deductibles and coinsurances have been improved with the new benefit structures. You will find that our coverage still compares very well to other plans available.

Effective April 1, 2024

	PLAN I		PLAN II	
	In Network	Out of Network	In Network	Out of Network
DEDUCTIBLE	$300 individual / $600 family		$500 individual / $1,000 family	
COPAY	$15 regular office visit / $30 specialist office visit	None	$20 regular office copay / $40 specialist office visit	None
CO-INSURANCE	20% after deductible	25% after deductible	30% after deductible	40% after deductible
OUT OF POCKET MAXIMUM	$2,000 individual / $4,000 family	$3,200 individual / $6,400 family	$3,200 individual / $6,400 family	$4,300 individual / $8,600 family

Out of Pocket Maximum

The calculation of out of pocket maximums is changing to a calendar year effective January 1, 2024. In order to accommodate the change from an April 1 renewal date to January 1 renewal date, the Fund will use what was accumulated from January 1, 2024 through March 31, 2024 towards your 2024 individual and family out of pocket maximum. Additionally, Participants who have reached the previous individual

and/or family out of pocket maximum as of December 31, 2023, will not need to meet their out of pocket maximum for 2024.

Out of Network Allowable Rate

As of April 1, 2024, the out of network rate of reimbursement will be 150% of the Medicare allowance for each service performed by an out of network provider. The Participant will be responsible for any balance billing related to out of network services.

Coinsurance

Coinsurance is the percentage of cost of a covered medical service that a Participant is responsible for after paying any applicable annual deductible and copay. For example, assuming a Participant's deductible has been paid, the following details the effect of coinsurance: An MRI costs $2500, the contracted allowable amount under in network insurance is $1800, the Participant is responsible for 20% of the allowable amount ($1800) which is $360, that is the coinsurance. The Plan will pay the $1440 balance of the allowable amount.

Diagnostic Laboratory and Diagnostic Services

These medical services will be subject to the 20% coinsurance. They include, but are not limited to, out-patient diagnostic and X-ray services; out-patient hospital/facility services; CT scans and MRI's, after the deductible has been satisfied.

Preventative Care – Paid at 100%

Services provided annually that are considered Preventative Care such as physicals for adults and children, mammograms, eligible colonoscopies will be paid at 100% and in-network services are not subject to deductible. Preventative care visits are important for everyone but can also assist in early detection and for certain tests create baselines that can be used later to determine abnormalities in the future.

CHANGES TO ENROLLMENT OPTIONS
Effective April 1, 2024

Change to Enrollment Type Options

The Board of Trustees has moved to a composite rate for medical coverage in the HRA Plan. This means that all Participants will pay the same monthly premium regardless of their marital status or the number of eligible dependents covered under the Plan. The Single, Two-Person and Family enrollment types previously offered will no longer be available. There will be one enrollment type for Participants and two plan options, Plan I and Plan II each with a monthly premium for all active Participants who meet eligibility requirements.

Participants who do not submit a coverage election during open enrollment or within 45 days of gaining eligibility will be automatically enrolled in Plan II. These non-responsive Participants will not be able to change their election until the next open enrollment period in April.

Opt Out Provision Eliminated

Participants will no longer be able to opt out of health coverage offered by the Plan. Participants may choose from Plan I or Plan II. Participants who do not submit a coverage election during open enrollment or within 45 days of gaining eligibility will be automatically enrolled in Plan II. These non-responsive Participants will not be able to change their election until the next open enrollment period in April.

Annual Health Coverage Monthly Premium

The monthly premium that Participants will pay for Plan I and Plan II medical coverage is determined by evaluating the cost of the plan on an annual basis. Each premium is approved by The Board of Trustees and communicated to Participants in the Annual Open Enrollment package.

MAINTAINING ACTIVE HEALTH COVERAGE
Effective April 1, 2024

Apprentice Training Credit

Effective April 1, 2024, New York HRA based apprentices attending school at the Apprentice Training Center who do not have enough contributions in their HRA can apply for Apprentice Training Credit. Apprentices can be credited with up to 40 hours of contributions for one week of school or up to 80 hours of contributions for two weeks of school, incurred in a six-month period from January through June or July through December. Apprentice Training Credit can be used to gain initial eligibility under the Plan. Credit will only be granted if contributions are needed to gain or maintain health coverage with supportive documentation of attendance provided by the Apprentice Training Center.

Availability for Work Provision

A previous Summary Material Modification in May 2023 advised you on new rules regarding maintaining active health coverage whereas Participants who do not work for a contributing employer **or** who are not available to work for four (4) consecutive months will not be eligible for coverage and will have their health coverage and HRA under the Plan suspended. Current exceptions to this rule have been updated. All exceptions include if you are retired, disabled and on NYS Disability, on state sponsored Family Medical Leave including Paid Family Medical Leave, on Worker's Compensation, serving in the Military, or working for a contributing employer in a non-covered position.

Disability Health Coverage Extension

If a Participant is injured or becomes ill while covered under the Health Plan and as a result of that disability, does not have enough contributions in their HRA to maintain eligibility, the Participant will qualify for a disability health coverage extension that extends coverage for a full six-month period. A Participant may utilize two of these six-month disability extensions in their career. They may be used consecutively with one continuing disability or on two separate occasions. Each six-month period must be used in its entirety. Participants must be collecting New York State Disability benefits to be eligible for the Disability Extensions. Extensions will be available for incidents or a disability that occurs on or after April 1, 2024.

DENTAL BENEFITS
Effective April 1, 2024

Your dental coverage administered by Delta Dental will now be included as part of your Plan I and Plan II medical coverage and paid for as part of the monthly medical premium. There is no option to opt out of dental coverage as of April 1, 2024.

Benefits through Delta Dental will not change, and you will be able to use your current ID card. If you were not previously enrolled in Delta Dental but are covered under Plan I or Plan II on April 1, 2024, you will receive an ID card and benefit summary in March 2024. Your new dental coverage will be effective April 1, 2024. Delays in making your open enrollment election will cause enrollment delays in the Delta dental program.

NEW VIRTUAL CARE PROVIDER - TELEDOC
Effective January 1, 2024

Independence Administrators is enhancing virtual care benefits offered to Participants by moving to a new provider, Teledoc. Teledoc's network of providers is amongst the largest in the nation, making access to virtual care even easier. The new benefits are available 24/7 and will be replacing the current MDLIVE virtual care provider. There will be a copay according to your Plan for Teledoc services, the same as a regular office copay. Please see the attached flyer outlining the new Teledoc program.

NON-MEDICARE RETIREE HEALTH ELIGIBILITY CHANGES
Effective April 1, 2024

Providing retiree health coverage is very challenging for any organization, and our Health Plan is no exception. After a lengthy discussion regarding the current financial condition of the Health Plan and equity among all Participants, the Board of Trustees has made the following changes:

Non-Medicare Retiree Eligibility Requirements
A Participant will be offered the Non-Medicare Retiree Health Plan upon fulfillment of the below requirements.

- Must be collecting a Pension from the North Atlantic States Carpenters Pension Fund.
- A dues paying member in good standing with a Local Union within North Atlantic States Carpenters Regional Council of Carpenters*.
- Eligible for health coverage under the North Atlantic States Carpenters Heath Plan the month immediately preceding your retirement effective date.
- No time limit on eligibility provided you have a HRA account balance. If your HRA account balance is exhausted, you can have the premium deducted from your pension for up to a maximum of an additional thirty-six months.

*Exception for Participants who are not Local Union members but are working for affiliates of the United Brotherhood under a Participation Agreement such as administrative staff of Local Union, Training Fund, Regional Council and Benefit Fund Staff

NON-MEDICARE RETIREE HEALTH COVERAGE
Effective April 1, 2024

The Board of Trustees has determined that all Non-Medicare Retired Participants who elect coverage will be enrolled into the following Retiree Health Plan (Plan III). These benefits will become effective as of April 1, 2024 for both existing and new retirees.

	PLAN III	
	In Network	**Out of Network**
DEDUCTIBLE	**New: $350 individual, $700 family**	
COPAY	**New: $15 regular office copay / $15 specialist office visit**	**None**
	New: $250 copay on inpatient/outpatient surgery	
CO-INSURANCE	**New: 20% after deductible**	**New: 20% after deductible**
OUT OF POCKET MAXIMUM	**New: $3,000 individual/$6,000 family**	**New: $3,000 individual/$6,000 family**

Opt Out Provision
If you are offered the Non-Medicare Retiree coverage, you can opt out if you are covered by another employer sponsored health plan that provides creditable coverage as determined by The Affordable Care Act of 2010.

A Participant may also opt back into the Health Plan one time if they experience a termination of their other employer sponsored creditable coverage. They will be required to submit proof that they had continuous creditable coverage for the entire time while utilizing the opt out provision. Coverage by a non-employer sponsored plan irrevocably forfeits coverage under the Health Plan and you will not be able to access your HRA account.

Annual Health Coverage Monthly Premium
The monthly premium that Participants will pay for Plan III medical coverage is determined by evaluating the cost of the plan on an annual basis. Each premium is approved by The Board of Trustees and communicated to Participants in the Annual Open Enrollment package.

The Fund will be collecting the monthly premiums from a Participant's HRA. Once a Participant's HRA is exhausted the monthly premium will be deducted from their pension if the pension benefit is more than the monthly premium. If you have a pension benefit that is less than your premium you may be permitted to self-pay.

In an effort to absorb the increasingly high cost of specialty drugs across the Plan, the Board of Trustees approved the following changes for **Plan I, Plan II and Retiree Health Plan (Plan III). These benefits will replace benefits provided previously.**

PRESCRIPTION DRUG CHANGES 2024
Effective for Plans I, II and III April 1, 2024

CURRENT PLAN		
Type	**Retail**	**Home Delivery**
GENERIC	$5 copay 30 day supply	$10 copay 90 day supply
FORMULARY	20% coinsurance	20% coinsurance
NON-FORMULARY	20% coinsurance	20% coinsurance

NEW PLAN		
Type	**Retail**	**Home Delivery**
GENERIC	$8 copay 30 day supply	$16 copay 90 day supply
FORMULARY	30% coinsurance $25 Min $50 Max	30% coinsurance $63 Min $125 Max
NON-FORMULARY	30% coinsurance $40 Min $80 Max	30% coinsurance $100 Min $200 Max

CURRENT PLAN – Specialty		
Type	**Retail**	**Home Delivery**
SPECIALTY	20% coinsurance	20% coinsurance

NEW PLAN – Specialty		
Type	**Retail**	**Home Delivery**
SPECIALTY	30% coinsurance $150 Min $300 Max	30% coinsurance $150 Min $300 Max

CURRENT PLAN – Cost Sharing		
Type	**Individual**	**Family**
OUT OF POCKET MAXIMUM	$5,000	$10,000
DEDUCTIBLE	NONE	NONE

NEW PLAN – Cost Sharing		
Type	**Individual**	**Family**
OUT OF POCKET MAXIMUM	$3,600	$7,200
DEDUCTIBLE	NONE	NONE

Prescription Coinsurance Minimums and Maximums

Prescription Coinsurance is the percentage a Participant pays for a covered prescription. Under this plan the coinsurance will be at least the minimum stated above, but will not exceed the maximum stated on the chart above.

Coinsurance Minimum Example – a formulary brand drug costs $40, the 30% is $12, because the Plan has a minimum coinsurance the Participant pays $25, the Plan pays the $15 balance of the cost of the formulary brand drug.

Coinsurance Maximum Example – a formulary brand drug costs $1200, the 30% coinsurance is $360, because the plan has a maximum coinsurance the Participant will pay $50 in coinsurance, the Health Fund will pay the $1150 balance for the formulary brand drug.

If a drug costs less than the minimum coinsurance amount, the Participant will pay the prescription drug cost amount.

IMPORTANT: Generic drugs are not subject to coinsurance

An $8 copay is all a Participant will pay for up to a 30 day supply of a generic drug. There is even greater savings if a Participant utilizes mail order. The copay for up to a 90 day supply for a mail order generic drug is $16. The Fund's CVS Smart 90 program allows for the same mail order benefits available at CVS pharmacies.

MEDICARE RETIREES
Effective January 1, 2024

Medicare Retirees are currently offered a Blue Medicare PPO Advantage Plan sponsored by the Level Health Consortium. The medical and prescription monthly premium is adjusted annually and will be subject to an administrative fee.

The Fund will be collecting the monthly premiums from Participant's HRA. Once a Participant's HRA is exhausted the monthly premium will be deducted from their pension if the pension benefit is more than the monthly premium. This plan is not subsidized by the Health Fund. **To be eligible for the plan, you must be a dues-paying member in good standing, and you must be receiving a pension from the North Atlantic States Carpenters Pension Fund***.

*Exception for Participants who are not Local Union members but are working for affiliates of the United Brotherhood under a Participation Agreement such as administrative staff of Local Union, Training Fund, Regional Council and Benefit Fund Staff and surviving spouse of members.

The Board of Trustees will regularly evaluate the cost of all plan benefits, rates and subsidies each year. Benefits provided by the Health Fund are not vested. Therefore, at any time, the Board of Trustees may modify, end or add benefits, in its sole and absolute discretion.

This is a Summary of Material Modifications (SMM) regarding the above-named plan ("Plan"). This Summary of Material Modifications supplements the Summary Plan Description ("SPD") previously provided to you. Changes communicated in this SMM replace previous communications that outlined same or similar benefits. You should retain this document with your copy of the SPD.

Please contact your local Fund Office if you have any questions regarding this Summary of Material Modifications.

Sincerely,
Board of Trustees