

LOCAL 807 LABOR-MANAGEMENT HEALTH & PENSION FUNDS

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IMPORTANT BENEFIT IMPROVEMENT ANNOUNCEMENT

To All Participants, Dependents, and COBRA Beneficiaries:

The Board of Trustees are pleased to announce two important improvements to your benefits. This notice explains the new prescription coverage for preventive vaccines and the new coverage of the COVID-19 vaccines.

Coverage for Preventive Vaccines Through the Prescription Drug Benefit

Effective January 1, 2021, the Plan will cover 100% of the cost for preventive vaccines under the pharmacy benefit through the ESI Vaccine program. As a reminder, the Plan also pays for preventive vaccines through medical coverage, but you are responsible for the administration costs.

As a result of this change, the section of your 2016 Summary Plan Description (“SPD”) on “Prescription Drug Coverage” (page 60) is amended by adding the language below:

“The ESI Vaccine program covers preventive vaccinations, including their administration, with no cost to you at participating retail pharmacies. The following vaccines are currently part of the ESI Vaccine program.

- Flu (seasonal influenza)
- Tetanus, diphtheria, pertussis
- Hepatitis
- Human papillomavirus (HPV)
- Meningitis
- Pneumonia
- Shingles/zoster
- Travel vaccines (rabies, typhoid, yellow fever, etc.)
- Childhood vaccines (MMR, etc.)
- COVID-19 (for the 2021 Plan Year)

You should also make sure the pharmacy you use is part of the Express Scripts participating pharmacy network. If you are not sure, log in to express-scripts.com and click “Find a Pharmacy” from the menu under “Prescriptions” to find out. You can also use free the Express Scripts mobile app to locate a participating pharmacy.

All covered participants are eligible to receive covered vaccines at a participating pharmacy. Please note that every state has specific regulations regarding age restrictions, which vaccines can be administered by a certified pharmacist, and if a prescription is required. Check with your local network pharmacy for further clarification.”

Coverage for COVID-19 Vaccines

Effective January 1, 2021 and through December 31, 2021, the Plan will cover Qualifying Coronavirus Preventive Services (COVID-19 vaccines for example) within 15 business days of the date it becomes a Qualifying Coronavirus Preventive Service. Qualifying Coronavirus Preventive Services will be covered under both In-Network Major Medical and In-Network Prescription Drug benefits at 100% of the Allowable Charge and will not be subject to the deductible or co-payments for the year 2021. Please note that you will still pay administration costs if you receive the vaccine through your medical coverage.

The Plan will determine the Allowed Amount for an out-of-network provider for the item or service based on the amount that the Plan determines is reasonable, including by reviewing prevailing market rates for such services. A reasonable amount will include the amount that the provider would be paid under Medicare for the item or service.

For purposes of this benefit, a Qualifying Coronavirus Preventive Service means an item, service, or immunization that is intended to prevent or mitigate coronavirus disease (COVID-19) and that is, with respect to the individual involved: (i) an evidence-based item or service that has in effect a rating of A or B in the current recommendations of the United States Preventive Services Task Force; or (ii) an immunization that has in effect a recommendation from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention (CDC), which has been adopted by the Director of the CDC. This provision is in effect regardless of whether the immunization is recommended for routine use.

Coverage for Qualifying Coronavirus Preventive Services after December 31, 2021 will be revisited by the Board of Trustees.

In Closing

This document is a Summary of Material Modifications (“SMM”) intended to notify you of important changes being made to the plan of benefits (the “Plan”) of the Local 807 Labor-Management Health Fund. You should read this SMM carefully and keep it with your copy of the Plan’s summary plan description (“SPD”) that was previously provided to you. If you have any questions regarding these changes, or about your benefits in general, please contact the Fund Office at (718) 274-5353.

Notice of Grandfathered Health Plan

The Local 807 Labor-Management Health Fund believes the Plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Fund Office at (718) 274-5353. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

The Board of Trustees reserves the right, in its sole and absolute discretion, to interpret and decide all matters under the Plan. The Board also reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan or any benefits provided under the Plan (or eligibility for such benefits), in whole or in part, at any time and for any reason.

Plan Sponsor: Board of Trustees of Local 807 Labor-Management Health Fund

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