

LOCAL 807 LABOR-MANAGEMENT HEALTH & PENSION FUNDS

TEL (718) 274-5353 32-43 49TH STREET LONG ISLAND CITY, NEW YORK 11103 FAX (718) 728-4413

UNION TRUSTEES

Demos P. Demopoulos
Anthony Storz
Luis Herrera

FUND ADMINISTRATOR

Teresa Casanova

EMPLOYER TRUSTEES

Robert Holden
Scott Little
Peter Ingram

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IMPORTANT BENEFIT UPDATES

To All Participants, Dependents, and COBRA Beneficiaries,

The Board of Trustees are pleased to announce three important improvements to your benefits. This notice explains the changes.

MagnaCare Now Processing Claims and Sending EOBs

Effective September 1, 2021, MagnaCare is providing some of the administrative services for your health benefits. This includes processing claims for the Health Fund and sending Explanation of Benefits (EOB) statements. You may notice that the EOB's that you receive are now monthly. They contain information on the services that you received and what was paid on your behalf and what is your responsibility. Call the Fund Office with any questions about your EOB's and any other questions regarding your benefits.

Additionally, if you go to a doctor's office in the evenings or on a weekend, the doctor will be able to check your eligibility directly with MagnaCare. Providers can access claim status, benefits and eligibility through MagnaCare's automated phone system 24/7 or by logging into the provider portal at Magnacare.com. We have already heard positive feedback on this enhanced capability from many doctors' offices.

As always, the Fund Office staff is here to assist you. If you have any questions about this new arrangement or have any service problems when you call MagnaCare, please call the Fund Office.

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 (410) 850-8500. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (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.

Coverage for Prosthetic Legs

Effective April 1, 2021, the Health Fund will cover medically necessary prosthetic leg replacement under the Durable Medical Equipment benefit. The coverage will allow for one replacement every five years and will have a \$100,000 maximum benefit.

In-Network Benefit Your cost sharing if you use a MagnaCare (In-Network) Provider)	\$30 copayment
Out-of-Network Benefit Your cost sharing if you use a Non-MagnaCare (Out-of-Network) Provider	30% coinsurance of Allowed Amount after annual deductible of \$250 single/\$750 family

All requests for Durable Medical Equipment must be reviewed and approved by the Fund in advance. If you do not obtain prior approval, your claim will be denied.

Paid Family Leave Credits

Effective June 1, 2021, if an employee elects to take Paid Family Leave, the employee will continue to have working days credited towards eligibility for Health coverage in the same manner as currently provided for those who are disabled, provided that:

- The employee's Employer is required to contribute to the Fund pursuant to a Collective Bargaining Agreement with Local 807 or a Participation Agreement with the Fund and is not delinquent;
- The employee was eligible for active benefits during any four consecutive quarters in the previous six quarters preceding the quarter in which the employee took Paid Family Leave; and
- The Paid Family Leave lasts 29 days or longer.

Credit is allowed on the basis of 20 hours for each week of Paid Family Leave. If the employee does not need the credit to meet the eligibility requirement in the Fund Eligibility Quarter in which the employee takes the Paid Family Leave, the credit will be carried over and applied in the subsequent Fund Eligibility Quarter. For all employees who take Paid Family Leave, but are not receiving Worker's Compensation, credit will be limited to two quarters.

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.

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.

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