



November 8, 2013

To: All Active and Retired Participants of the Carpenters Health and Welfare Trust Fund for California

**From: BOARD OF TRUSTEES
Carpenters Health and Welfare Trust Fund for California**

**Re: Medical and Prescription Drug Plan Benefit Changes Effective January 1, 2014 (Indemnity Plan Only)
Service Pension Retiree Health and Welfare Window Period Closes on August 31, 2013**

Effective January 1, 2014, the Board of Trustees have adopted the following two changes to the Indemnity Medical and Prescription Drug plans only.

1) CT Scans and MRIs

Imaging services such as CT scans and MRIs give you and your doctor a valuable look at the inside of your body. These services can fluctuate in cost from as little as \$300 to as much as \$3,000* without quality differences. Therefore, if your doctor refers you to an imaging provider for a CT scan or MRI, your referral will be reviewed to see if the imaging provider selected offers the best quality of care and price in your area. If it doesn't, starting January 1, 2014, a representative from Anthem Blue Cross will call you and let you know of other imaging provider choices close by. While the choice to choose the more expensive option will be yours, your personal share of costs will increase. We strongly recommend accepting Anthem's recommendation to a high quality, lower cost provider.

*Source: AIM Specialty Health internal cost analysis

2) New Rules for Proton Pump Inhibitors (PPIs), Opiates, Antidepressants, Antipsychotics, and Stimulants

To ensure the health safety of Plan Participants and Dependents, enhanced Plan coverage rules have been adopted for stomach acid reducing medications, known as Proton Pump Inhibitors (PPIs), and opiate pain medications like Vicodin, or Oxycodone. Effective January 1, 2014, unless clinical documentation verifies a longer duration is medically necessary, a course of treatment for PPIs will be limited to a maximum of eight (8) weeks and a course of treatment for opiates will be limited to a maximum of 90 days. The Plan also adopted changes effective January 1, 2014 for Antidepressants, Antipsychotics, and Stimulants, including mandatory generics for new starts, step therapy programs, and prior authorization rules.

Retiree Health and Welfare – Out of Work Special Window Period Closed

Service Type Pension

Beginning September 2010 a window period of time was created for Retirees awarded a Service Pension from the Carpenters Pension Trust Fund for Northern California and whose last work was in covered employment for a Contributing Employer so that the "hours in covered employment" requirements for Retiree Health and Welfare eligibility could be satisfied by proof that he or she was on the "out-of-work" list at a Local Union affiliated with the Carpenters 46 Northern California Counties Conference Board. On August 31, 2013 that window period of time was closed and all Pensioners must satisfy "hours in covered employment" primarily through work hours.

GRANDFATHERED HEALTH PLAN:

The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Medical 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 preventative 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 Plan administrator or the 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. Please keep this notice with your benefit booklet. If you have any questions, please contact Benefit Services at the Fund Office at (510) 633-0333 or toll free at (888) 547-2054. You may also send an e-mail to benefitservices@carpenterfunds.com. Forms and information can be found on our website at www.carpenterfunds.com.

The Trustees work diligently to protect your Plan and access to your Plan and only the Board of Trustees maintains the right to change or discontinue the types and amounts of benefits under this Plan. This notice is intended as a summary only, and actual Plan documents will be used to interpret the Plan. Only the full Board of Trustees is authorized to interpret the Plan. The Board has discretion to decide all questions about the Plan, including questions about your eligibility for benefits and the amount of any benefits payable to you. No individual Trustee, Employer or Union Representative has authority to interpret this Plan on behalf of the Board or to act as an agent of the Board. In the event of a dispute between this summary notice and the Rules and Regulations of the Plan, the Rules and Regulations will prevail.