



October 16, 2015

**TO: All Medicare Retirees and their Dependents, including COBRA Beneficiaries**

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

**RE: BENEFIT CHANGES**

- **Changes to Deductible**
- **Enhancement to the Vision Service Plan (VSP) Provider Network**

**EFFECTIVE JANUARY 1, 2016**, the Board of Trustees of the Carpenters Health and Welfare Trust Fund for California modified Plan Rules and Regulations to the annual Deductible for Medicare Retirees and Dependents.

**CALENDAR YEAR DEDUCTIBLE:**

The Deductible is the amount of covered expenses that you pay each calendar year before the Plan begins to pay benefits.

**Effective January 1, 2016**, your Calendar Year Deductible for medical benefits will be \$128 per person each calendar year, which is an increase from the prior Calendar Year Deductible of \$100.

**Also effective January 1, 2016**, there will be a separate \$360 calendar year deductible for each individual under the prescription plan. This means you will be responsible for paying the first \$360 of expenses for covered prescriptions before Plan benefits begin. There are other significant changes to prescription benefits. During the Medicare Part D Coverage Gap Stage (commonly known as the 'donut hole') you will pay a percentage of prescription costs instead of a flat copayment and drugs not covered by Medicare Part D, including drugs used to treat erectile dysfunction (ED), will no longer be covered by the Plan. Please read the Annual Notice of Changes for 2016 which will be forthcoming from Express Scripts Medicare Prescription Drug Plan carefully for a full description of 2016 prescription benefits.

**VISION SERVICE PLAN (VSP) / COSTCO:**

For Participants eligible under the Indemnity Plan, vision care benefits are administered by VSP. VSP has a network of providers who receive the highest benefits available under the plan. **Beginning January 1, 2016**, VSP will expand their network of providers to include wholesale chain, Costco.

To access VSP benefits at Costco, no identification card is necessary. At your appointment, tell the Costco representative you have VSP and they will handle the rest. There are no claim forms to complete to access your network benefit.

**Grandfathered Health Plan:** The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Fund's medical plans are "grandfathered health plans" 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 plan, 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 plans 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](http://www.dol.gov/ebsa/healthreform). This Web site 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](mailto:benefitservices@carpenterfunds.com). Forms and information can be found on our website at [www.carpenterfunds.com](http://www.carpenterfunds.com).

*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 accordance with ERISA reporting requirements this document serves as your Summary of Material Modifications to the Plan.*

# Carpenters H&W Trust Fund for CA: Medicare Retiree Plan

Coverage Period: 01/01/2016 – 08/31/2016

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage for: Individual + Family | Plan Type: PPO



**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at [www.carpenterfunds.com](http://www.carpenterfunds.com) or by calling 1-888-547-2054.

Important Questions	Answers	Why this Matters:
What is the overall <u>deductible</u> ?	\$128/person per calendar year	You must pay all the costs up to the <u>deductible</u> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <u>deductible</u> starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the <u>deductible</u> .
Are there other <u>deductibles</u> for specific services?	Yes. There is a specific <u>deductible of \$360/person per calendar year on covered drugs</u> .	You must pay all the costs up to the <u>deductible</u> amount before this Plan begins to pay for covered services you use. Check your policy or plan document to see when the <u>deductible</u> starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the <u>deductible</u> .
Is there an <u>out-of-pocket limit</u> on my expenses?	No	There's no limit on how much you could pay during a coverage period for your share of the cost of covered services.
What is not included in the <u>out-of-pocket limit</u> ?	This plan has no out-of-pocket limit.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Does this plan use a <u>network of providers</u> ?	Yes. For a list of <b>PPO providers in California</b> , see <a href="http://www.anthem.com/ca">www.anthem.com/ca</a> or call 1-888-547-2054. Yes. For a list of <b>PPO providers outside the state of California</b> , see <a href="http://www.bcbs.com">www.bcbs.com</a> or call 1-800-810-2583.	If you use an in-network doctor or other health care <b>provider</b> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <b>provider</b> for some services. Plans use the term in-network, <b>preferred</b> or participating for <b>providers</b> in their <b>network</b> . See the chart starting on page 2 for how this plan pays different kinds of <b>providers</b> .
Do I need a referral to see a <u>specialist</u> ?	No.	You can see the <b>specialist</b> you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 5. See your policy or plan document for additional information about <b>excluded services</b> .

**Questions:** Call 1-888-547-2054 or visit us at [www.carpenterfunds.com](http://www.carpenterfunds.com). If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at [www.carpenterfunds.com](http://www.carpenterfunds.com) or: [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-888-547-2054 to request a copy.

# Carpenters H&W Trust Fund for CA: Medicare Retiree Plan

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- **Copayments** are fixed dollar amounts (for example, \$15) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan may encourage you to use PPO **providers** by charging you lower **deductibles**, **copayments** and **coinsurance** amounts.

Common Medical Event	Services You May Need	Your Cost If You Use a PPO Provider	Your Cost If You Use a Non-PPO Provider	Limitations & Exceptions
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	No charge after deductible met.	No charge after deductible met if the provider accepted Medicare assignment of benefits.	Plan pays second to Medicare
	Specialist visit			
	Other practitioner office visit			
	Preventive care/screening/immunization			
If you have a test	Diagnostic test (x-ray, blood work)	No charge after deductible met.	No charge after deductible met if the provider accepted Medicare assignment of benefits..	Plan pays second to Medicare
	Imaging (CT/PET scans, MRIs)			

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Common Medical Event	Services You May Need	Your Cost If You Use a PPO Provider	Your Cost If You Use a Non-PPO Provider	Limitations & Exceptions
<p><b>If you need drugs to treat your illness or condition</b></p> <p>More information about <b>prescription drug coverage</b> is available from Express Scripts at <a href="http://www.express-scripts.com">www.express-scripts.com</a> or call 1-800-311-2757.</p>	Generic drugs (Initial Coverage Stage)	Retail Pharmacy for maximum 30-day supply: \$10 copayment. Mail Order for 90-day supply: \$20 copayment.	You pay 100%	After you pay \$4,750 out of pocket for Part D drugs, you move to the “Catastrophic Coverage Stage”. During this stage, you pay the higher of 5% of the total cost with a maximum not to exceed the standard cost-sharing amount during the initial coverage stage OR \$2.65 for a generic or preferred brand drug that is a multi-source drug and \$6.60 for all other drugs.
	Preferred Brand drugs (Initial Coverage Stage)	Retail Pharmacy for 30-day supply: \$40 copayment. Mail Order for 90-day supply: \$80 copayment.		
	Non-Preferred Brand drugs (Initial Coverage Stage)	Retail Pharmacy for 30 -day supply: \$60 copayment; Mail Order for 90-day supply: \$120 copayment.		
	Specialty drugs (Initial Coverage Stage)	Retail and Mail Order Pharmacy: You pay 25% of the total cost for a 30-day supply.		
	Generic, Preferred Brand, Non-Preferred Brand and Specialty (Coverage Gap Stage)	You pay 45% for Brand drugs and 58% for Generic drugs		
<p><b>If you have outpatient surgery</b></p>	Facility fee (e.g., ambulatory surgery center)	No charge after deductible met.	No charge after deductible met if the provider accepted Medicare assignment of benefits.	Plan pays second to Medicare
	Physician/surgeon fees			
<p><b>If you need immediate medical attention</b></p>	Emergency room services	No charge after deductible met.	No charge after deductible met if the provider accepted Medicare assignment of benefits.	Plan pays second to Medicare
	Emergency medical transportation			
	Urgent care			

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Common Medical Event	Services You May Need	Your Cost If You Use a PPO Provider	Your Cost If You Use a Non-PPO Provider	Limitations & Exceptions
If you have a hospital stay	Facility fee (e.g., hospital room)	No charge for the first 60 days of an admission	No charge for the first 60 days of an admission	Plan pays second to Medicare
	Physician/surgeon fee	No charge after deductible met.	No charge after deductible met.	
If you have mental health, behavioral health, or substance abuse needs	Mental/Behavioral health outpatient services	Plan pays 20% after deductible met.	Plan pays 20 % after deductible met.	Plan pays second to Medicare
	Mental/Behavioral health inpatient services	No charge after deductible met.	No charge after deductible met if the provider accepted Medicare assignment of benefits.	Plan pays second to Medicare
	Substance use disorder outpatient services			
	Substance use disorder inpatient services			
If you are pregnant	Prenatal and postnatal care	No charge after deductible met.	No charge after deductible met if the provider accepted Medicare assignment of benefits.	Plan pays second to Medicare
	Delivery and all inpatient services			
If you need help recovering or have other special health needs	Home health care	No charge after deductible met.	No charge after deductible met.	Plan pays second to Medicare
	Rehabilitation services			
	Habilitation services	Not covered	Not covered	You pay 100% of these charges
	Skilled nursing care	Not covered	Not covered	Plan pays Medicare Part A deductible only.
	Durable medical equipment	No charge after deductible met.	No charge after deductible met if the provider accepted Medicare assignment of benefits.	Plan pays second to Medicare
	Hospice service			
If your child needs dental or eye care	Eye exam	Not covered	Not covered	Vision services available under a separate vision plan.
	Glasses	Not covered	Not covered	
	Dental check-up	Not covered	Not covered	Dental services available under separate dental plan.

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## Excluded Services & Other Covered Services:

### Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)

- Acupuncture services
- Bariatric surgery
- Cosmetic surgery
- Habilitation services
- Infertility treatment
- Long-term care
- Private Duty Nursing
- Services not covered by Medicare.
- Skilled Nursing
- Weight loss programs

### Other Covered Services

(This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)

- Chiropractic care
- Dental Care (if you elect the optional dental plan)
- Hearing aids
- Non-emergency care when traveling outside the U.S.
- Routine eye care (under separate vision plan)
- Routine foot care

## Your Rights to Continue Coverage:

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a **premium**, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

For more information on your rights to continue coverage, contact the plan at (888) 547-2054. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cciio.cms.gov](http://www.cciio.cms.gov).

## Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to **appeal** or file a **grievance**. For questions about your rights, this notice, or assistance, you can contact the Fund Office at 1-888-547-2054. You may also contact the Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform).

## Does this Coverage Provide Minimum Essential Coverage?

The Affordable Care Act requires most people to have health care coverage that qualifies as "minimum essential coverage." **This Plan or policy does provide minimum essential coverage.**

## Does this Coverage Meet the Minimum Value Standard?

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). **This health coverage does meet the minimum value standard for the benefits it provides.**

### Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-888-547-2054.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-888-547-2054.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-888-547-2054.

—————*To see examples of how this plan might cover costs for a sample medical situation, see the next page.*—————



## About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



### This is not a cost estimator.

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.

See the next page for important information about these examples.

### Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$7,330
- Patient pays \$210

#### Sample care costs:

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
<b>Total</b>	<b>\$7,540</b>

#### Patient pays:

Deductibles	\$130
Copays	\$50
Coinsurance	\$0
Limits or exclusions	\$30
<b>Total</b>	<b>\$210</b>

### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$4,790
- Patient pays \$610

#### Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
<b>Total</b>	<b>\$5,400</b>

#### Patient pays:

Deductibles	\$130
Copays	\$440
Coinsurance	\$0
Limits or exclusions	\$40
<b>Total</b>	<b>\$610</b>

**For Medicare eligible Retirees: Please note that the coverage examples do not reflect what the patient or plan would actually pay because this plan only pays secondary to Medicare.**

## Questions and answers about the Coverage Examples:

### What are some of the assumptions behind the Coverage Examples?

- Costs don't include **premiums**.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network **providers**. If the patient had received care from out-of-network **providers**, costs would have been higher.

### What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how **deductibles**, **copayments**, and **coinsurance** can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

### Does the Coverage Example predict my own care needs?

✘ **No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

### Does the Coverage Example predict my future expenses?

✘ **No.** Coverage Examples are **not** cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your **providers** charge, and the reimbursement your health plan allows.

### Can I use Coverage Examples to compare plans?

✔ **Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

### Are there other costs I should consider when comparing plans?

✔ **Yes.** An important cost is the **premium** you pay. Generally, the lower your **premium**, the more you'll pay in out-of-pocket costs, such as **copayments**, **deductibles**, and **coinsurance**. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

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