

# **CARPENTERS HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA**



## **Summary Plan Description (SPD) and Rules and Regulations for Retirees**

**Effective September 1, 2017**

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TRUST FUND  
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**CARPENTERS HEALTH AND WELFARE TRUST FUND  
FOR CALIFORNIA**

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## ENROLL IN MEDICARE

It is very important that you enroll in **both Part A and Part B** of Medicare when you turn 65, or if you become disabled and eligible for Social Security benefits before age 65. Failure to enroll in both parts of Medicare could create serious financial hardship for you. On the first day of the month you become eligible for Medicare, the Indemnity Medical Plan will assume that Medicare has covered the charges, regardless of whether you have actually enrolled for Medicare and regardless of whether Medicare makes any payment. This means that the Plan will pay only 20% for services normally covered by Part B of Medicare and only the Medicare inpatient hospital deductible amount if you are hospitalized and you will be responsible for any remaining charges.

HMO members eligible for Medicare must also enroll in Parts A and B of Medicare and assign their Medicare benefits to the HMO. If you are enrolled in Kaiser and you do not enroll in both Parts A and B of Medicare when eligible, your coverage in the HMO plan will be terminated. In this case, you will be allowed to enroll in the Indemnity Plan; however, the Indemnity Plan will pay as though you had enrolled in both parts of Medicare as described above.

See page 8 for information on how to enroll in Medicare.

## IMPORTANT INFORMATION REGARDING HEALTH NET

Effective **January 1, 2018** the option for coverage under the Health Net HMO plan is no longer offered.

For a description of the benefits and coverage options available under the Health Net HMO plan prior to January 2018, please refer to the June 2012 Summary Plan Description or the Evidence of Coverage (EOC). To request a copy of the June 2012 Summary Plan Description, contact the Fund Office. If you would like a copy of the Health Net Evidence of Coverage (EOC), contact Health Net at (800) 638-3889 or [www.healthnet.com](http://www.healthnet.com).

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# INTRODUCTION

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This Summary Plan Description (SPD)/Rules and Regulations is designed to help you understand the benefits available to you through the Carpenters Health and Welfare Trust Fund for California. The plan described in this SPD is effective September 1, 2017 and replaces all other plan documents previously provided to you.

The Trust Fund offers a wide range of benefits that are described in this SPD, including:

- Indemnity Medical Plan;
- Mental Health and Chemical Dependency benefits;
- Prescription Drug benefits;
- Hearing Aid benefits for Indemnity Medical Plan; and
- Vision Care benefits for Indemnity Medical Plan Participants.

Note: Dental benefits are also available through a voluntary Retiree dental program insured by Delta Dental. The dental plan requires a separate enrollment, payment of premiums covering the full cost of the coverage and has separate eligibility and termination rules. You can enroll in the benefits listed above without enrolling in the dental plan. The dental benefits are not described in this booklet - if you have enrolled in the dental plan or are interested in the details of the plan, you may request a separate dental brochure.

This booklet does not contain a complete description of the Kaiser plan or information on the voluntary Retiree dental program through Delta Dental. These plans are described in separate brochures.

**While recognizing the many benefits associated with this Plan, it is also important to note that not every expense you incur for health care is covered by this Plan.**

**All provisions of this document contain important information.**

No individual shall have vested rights to benefits under these Plans. A vested right refers to a benefit that an individual has earned a right to receive and that cannot be forfeited. Health Plan benefits are not vested and are not guaranteed.

If you have any questions about your coverage or your obligations under the terms of your Plan, be sure to seek help or information. A Quick Reference Chart to sources of help or information about the Plan appears in this chapter.

## IMPORTANT INFORMATION

Carpenters Health and Welfare Trust Fund for California is committed to maintaining health care coverage for Participants and their families at an affordable cost, however, because future conditions cannot be predicted, the Board of Trustees reserves the right to amend or terminate coverages at any time and for any reason. As the Plan is amended from time to time, you will be sent information explaining the changes. If those later notices describe a benefit or procedure that is different from what is described here, you should rely on the later information.

Be sure to keep this document, along with notices of any Plan changes, in a safe and convenient place where you and your family can find and refer to them.

This Plan is established under and subject to the federal law, Employee Retirement Income Security Act of 1974, as amended, commonly known as ERISA. The Indemnity Medical Plan (including mental health and substance abuse treatment and prescription drugs) and hearing aid benefits of the Plan are self-funded with contributions from the contributing employers and Eligible Participants held in a Trust. Kaiser HMO benefits of the Plan are fully insured with Kaiser.

## ABOUT THIS SPD

In this SPD we have tried to describe your benefits as completely as possible and in everyday language. This SPD includes:



- An important **contact information** section, which includes telephone numbers and web sites for the Fund Office and other organizations providing services under the Plan, including contact information for Utilization Review.
- An **eligibility** section that summarizes the eligibility requirements that you must satisfy to qualify for benefits.
- An explanation about your coverage under **each benefit program** of the Plan, including a ***Summary of Benefits*** for each benefit program that summarizes the coverage available.
- A section on **how to file claims** including what you need to do to file an appeal if a claim is denied.
- An **administrative information** section including general Plan information and your rights under the law.

Este documento contiene una breve descripción sobre sus derechos de beneficios del plan, en Inglés. Si usted tiene dificultad en comprender cualquier parte de este documento, por favor de ponerse en contacto con la Trust Fund Office a la dirección y teléfono en el Quick Reference Chart de este documento.

The Kaiser HMO plan is provided through a contract between the Board of Trustees and the Insurance Company.

The Indemnity Medical Plan (including mental health and substance abuse and prescription drugs) vision, and hearing aid benefits are not insured by any contract of insurance, and there is no liability on the part of the Board of Trustees or any individual or entity to provide payment over and beyond the amount in the Trust Fund collected and has made available for that purpose.

The Board of Trustees has the exclusive right and discretion to construe and interpret the Plan and is the sole judge of the standard of proof required in any claim and the application and interpretation of the Plan. Any dispute as to eligibility, type, amount or duration of benefits or any right or claim to payments from the Fund will be resolved by the Board or its duly authorized designee under and pursuant to the provisions of the Plan and the Trust Agreement, and its decision is final and binding upon all parties, subject only to judicial review as may be in harmony with federal labor law.

Please note the Board has authorized the Fund Office to respond in writing to your written questions. If you have a question about your benefits, you should write to the Fund Office for a definitive answer. As a courtesy to you, the Fund Office may also respond informally to oral questions. However, oral information and answers are not binding upon the Board of Trustees and cannot be relied upon in any dispute concerning your benefits.

Plan rules and benefits may change from time to time. If this occurs, you will receive a written notice explaining the change. Please be sure to read all Plan announcement letters about benefit changes and keep them with this booklet. In order for you to be aware of the benefits available to you and your Dependents, we urge you to read this booklet carefully prior to obtaining medical care. If you have any questions about your benefits described in this booklet, please contact the Trust Fund Office, where we will be pleased to assist you.

The Indemnity Medical Plan's Utilization Review and Contract Provider programs (for Retirees and Dependents who are not eligible for Medicare) continue to be critical elements of our efforts to contain rising health care costs. There are financial incentives for you to use these cost containment programs.

## Unfamiliar Term?

If you see a word whose meaning you are unsure of, check the Definitions section in Article I of the Rules and Regulations that follow the SPD. It contains definitions of the words used in the SPD.

However, because the following terms are so important, we are providing the definitions here so that you understand the meaning of these terms when you see them in the SPD. For the complete legal definition of these terms, please refer to Article I of the Rules and Regulations.

**Allowed Charge:** means the lesser of:

- a) The dollar amount this Fund has determined it will allow for covered Medically Necessary services or supplies performed by Non-Contract Providers. The Fund's Allowed Charge amount is not based on or intended to be reflective of fees that are or may be described as usual and customary (U&C), usual, customary and reasonable (UCR), prevailing or any similar term. A charge billed by a provider may exceed the Fund's Allowed Charge. The Fund reserves the right to have the billed amount of a claim reviewed by an independent medical review firm to assist in determining the amount the Fund will allow for submitted claims. **When using Non-Contract Providers, the Eligible Individual is responsible for any difference between the actual billed charge and the Fund's maximum Allowed Charge, in addition to any copayment and percentage coinsurance required by the Plan.**
- b) The Provider's actual billed charge.
- c) The Fund has adopted a Medicare based reimbursement strategy for Non-Contract Hospital, Non-Contract Facility and other Non-Contract Providers where the maximum amount payable by this Plan is a percentage of the amount that would have been payable in accordance with Medicare allowable payments.

**Experimental or Investigational:** means a drug or device, medical treatment or procedure if:

- a) The drug or device cannot be lawfully marketed without approval of the United States Food and Drug Administration and approval for marketing has not been given at the time the drug or device is furnished; or
- b) The drug, device, medical treatment or procedure, or the Patient informed consent document utilized with the drug, device, treatment or procedure, was reviewed and approved by the treating facility's Institutional Review Board or other body serving a similar function, or if federal law requires such review or approval; or
- c) **Reliable Evidence** shows that the drug, device, medical treatment or procedure is the subject of ongoing phase I or phase II clinical trials, is the research, experimental, study or investigational arm of ongoing phase III clinical trials, or is otherwise under study to determine its maximum tolerated dose, its toxicity, its safety, its efficacy or its efficacy as compared with a standard means of treatment or diagnosis; or
- d) **Reliable Evidence** shows that the prevailing opinion among experts regarding the drug, device, medical treatment or procedure is that further studies or clinical trials are necessary to determine its maximum tolerated dose, its toxicity, its safety, its efficacy or its efficacy as compared with a standard means of treatment or diagnosis.

For purposes of this definition, "**Reliable Evidence**" means only published reports and articles in peer reviewed authoritative medical and scientific literature; the written protocol or protocols used by the treating facility or the protocol(s) of another facility studying substantially the same drug, device, medical treatment or procedure; or the written informed consent used by the treating facility or by another facility studying substantially the same drug, device, medical treatment or procedure.

**Medically Necessary:** means for the purpose of determining unreduced covered benefits payable by the Fund for services received for the treatment of an Illness or Injury. Services that are not Medically Necessary (except the routine preventive services specifically covered by the Plan) are not Allowed Charges.

Medically Necessary services or supplies are those determined to be:

- Appropriate and necessary for the symptoms, diagnosis or treatment of the medical condition, and
- Provided for the diagnosis or direct care and treatment of the medical condition, and
- Within standards of good medical practice within the organized medical community, and
- Not primarily for the personal comfort or convenience of the patient, the patient's family, any person who cares for the patient, any Health Care Practitioner, or any Hospital or Specialized Health Care Facility. The fact that your Physician may provide, order, recommend or approve a service or supply **does not mean** that the service or supply will be considered Medically Necessary for the medical coverage provided by the Plan, and
- The most appropriate supply or level of service that can safely be provided. For Hospital stays, this means that acute care as a bed patient is needed due to the kind of services the patient is receiving or

the severity of the patient's condition, and that safe and adequate care cannot be received as an outpatient or in a less intensified medical setting, as determined by the Professional Review Organization.

## **Prevailing Authority of Rules and Regulations**

The provisions of the Plan are subject to and controlled by the legal Plan Document or Rules and Regulations. If there is a discrepancy between this Summary Plan Description (SPD) and the provisions of the Rules and Regulations, the provisions of the Rules and Regulations will govern. The Rules and Regulations are printed at the back of this SPD and are also available on the Fund's website ([www.carpenterfunds.com](http://www.carpenterfunds.com)).

## **Grandfathered Health Plan Under the Patient Protection and Affordable Care Act (The Affordable Care Act)**

This group health plan believes that the Indemnity Medical Plan offered by the Fund is a "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 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 Trust Fund Office at (888) 547-2054 or (510) 633-0333.

**You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or <http://www.dol.gov/ebsa/healthreform/>. This website has a table summarizing which protections do and do not apply to grandfathered health plans.**

## **General Statement of Nondiscrimination: (Discrimination is Against the Law)**

The Fund's health care plan complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. The Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex. The Plan:

- a) Provides free aids and services to people with disabilities to communicate effectively with us, such as:
  - Qualified sign language interpreters
  - Written information in other formats (large print, audio, accessible electronic formats, other formats)
- b) Provides free language services to people whose primary language is not English, such as:
  - Qualified interpreters
  - Information written in other languages

If you need these services, contact Pauline Hann, Civil Rights Coordinator.

If you believe that the Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Pauline Hann, Civil Rights Coordinator, Carpenters Health and Welfare Trust Fund for California, 265 Hegenberger Road, Suite 100, Oakland, California 94621-1480, (510) 633-0333 or Toll-Free (888) 547-2054. You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, Pauline Hann, Civil Rights Coordinator, is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-868-1019, 800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

<b>ATTENTION: FREE LANGUAGE ASSISTANCE</b> This chart displays, in various languages, the phone number to call for free language assistance services for individuals with limited English proficiency.	
Language	Message About Language Assistance
Spanish	ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1 (888) 547-2054 (TTY: 1 (888) 547-2054).
Chinese	注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 1 (888) 547-2054 (TTY: 1 (888) 547-2054)
French	ATTENTION : Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1 (888) 547-2054 (ATS : 1 (888) 547-2054).
Italian	ATTENZIONE: In caso la lingua parlata sia l'italiano, sono disponibili servizi di assistenza linguistica gratuiti. Chiamare il numero 1 (888) 547-2054 (TTY: 1 (888) 547-2054).
German	ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1 (888) 547-2054 (TTY: 1 (888) 547-2054).
Hmong	LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1 (888) 547-2054 (TTY: 1 (888) 547-2054).
Vietnamese	CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1 (888) 547-2054 (TTY: 1 (888) 547-2054).
Persian	اری ناگی ترو صب ناب ز هس تی تلا پی نک ی، دم وگ ت فگی سراف ناب ز هب رگا: هجوت ب گ یری دت ماس (888) 547-2054 (TTY: 1 (888) 547-2054) اب ی د شاب م مهارف ی امش ارب
Hindi	ध्यान दें: यदि आप हिंदी बोलते हैं तो आपके लिए मुफ्त में भाषा सहायता सेवाएं उपलब्ध हैं। 1 (888) 547-2054 (TTY: 1 (888) 547-2054) पर कॉल करें।
Tagalog	PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1 (888) 547-2054 (TTY: 1 (888) 547-2054).
Navajo	Díí baa akó nínízin: Díí saad bee yánílti' go Diné Bizaad, saad bee áká'ánida'ánida'áwo'dęę , t'áá jiiik'eh, éí ná hóló, koji' hódíílnih 1 (888) 547-2054 (TTY: 1 (888) 547-2054.)
Arabic	ذاف ت امدخ قدعا سملاق وغللا رف اوت ت كل ناجملاب. لا ص تاقرب 1- (888) 547-2054 (مقر ف تاهم صلا مك بلاو: 1- (888) 547-2054). قظو دلم: اذا ت نك ت دد ت ركذا اللة،
Korean	주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1 (888) 547-2054 (TTY: 1 (888) 547-2054)번으로 전화해 주십시오.
Thai	เรียน: ถ้าคุณพูดภาษาไทยคุณสามารถใช้บริการช่วยเหลือทางภาษาได้ฟรี โทร 1 (888) 547-2054 (TTY: 1 (888) 547-2054).
Lao	ໂປດລາບ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ເສັຽຄ່າ, ແມ່ນມີພ້ອມໃຫ້ທ່ານ. ໂທ 1 (888) 547-2054 (TTY: 1 (888) 547-2054).

## IMPORTANT CONTACT INFORMATION

The Plan is sponsored and administered by the Board of Trustees of the Carpenters Health and Welfare Trust Fund for California. However, the Trustees have delegated administrative responsibilities to other individuals or organizations as follows:

- **Trust Fund Office:**
  - ✓ Maintains eligibility records;
  - ✓ Accounts for self-payment contributions;
  - ✓ Administers Indemnity Medical and Hearing Aid benefits;
  - ✓ Answers Participant inquiries; and
  - ✓ Handles other routine administrative functions.
- **Kaiser Foundation Health Plan offers a Health Maintenance Organization (HMO) plan for medical, prescription drug, hearing aid and vision benefits.**
- **Indemnity Medical Plan**
  - ✓ **Anthem Blue Cross of California** provides access to a Contract Provider network for indemnity medical benefits and provides the Plan's utilization review program for certain medical benefits (applicable only to Retirees and Dependents not eligible for Medicare).
  - ✓ **Express Scripts** provides access to contract pharmacies and administers the Plan's mail service program and specialty pharmacy program.
  - ✓ **Vision Service Plan (VSP)** administers and provides access to Contract Providers for Vision Benefits.
- **Delta Dental PPO and DeltaCare USA** provide voluntary dental benefits to retirees who choose to purchase coverage.

When you need information, please check this document first. If you need further help, call the individuals listed in the following Quick Reference Chart:

► <b>When to Contact the Trust Fund Office</b>	
When you have questions about: eligibility, benefits, COBRA continuation coverage, self-payment contributions and other routine administrative functions.	Direct Line: (510) 633-0333 Toll Free: (888) 547-2054 Email: <a href="mailto:benefitservices@carpenterfunds.com">benefitservices@carpenterfunds.com</a> <a href="http://www.carpenterfunds.com">www.carpenterfunds.com</a>

► <b>Who to contact if you have questions about your Indemnity Medical Plan</b>	
Claims and appeals for the Indemnity Medical Plan	<b>Trust Fund Office</b> Direct Line: (510) 633-0333 Toll Free: (888) 547-2054 Email: <a href="mailto:benefitservices@carpenterfunds.com">benefitservices@carpenterfunds.com</a> <a href="http://www.carpenterfunds.com">www.carpenterfunds.com</a>
Indemnity Medical Plan benefits	
Hearing Aid Benefits for the Indemnity Medical Plan	
Medicare Part D Notice of Creditable Coverage	
Summary of Benefits and Coverage (SBC)	
HIPAA Privacy Notice	Inside California: <b>Anthem</b> (800) 810-2583 <a href="http://www.anthem.com">www.anthem.com</a> Outside California: <b>Blue Card</b> (800) 810-2583 <a href="http://www.bcbs.com">www.bcbs.com</a>
Finding a contract provider (for Non-Medicare Retirees and Dependents covered under the Indemnity Medical Plan)	

For assistance with non-emergency medical questions	<b>Anthem 24/7 Nurse Line</b> (800) 700-9184
Review Organization for Required Utilization Review – In or Outside California (for Non-Medicare Retirees and Dependents)	<b>Anthem</b> (800) 274-7767 (Physicians Only)
Prescription Drugs - Network Pharmacy, Mail Service and Specialty Pharmacy Services (Kaiser HMO Participants should contact Kaiser for information about prescription drug benefits)	<b>Express Scripts</b> (800) 939-7093 <a href="http://www.express-scripts.com">www.express-scripts.com</a> (800) 473-3455 (to order refills) (800) 753-2851 (for doctors to request Utilization Review) <b>Medicare Eligible Participants should call: 1.800.311.2757 for assistance</b>
Vision Benefits for the Indemnity Medical Plan	<b>Vision Service Plan (VSP)</b> (800) 877-7195 <a href="http://www.vsp.com">www.vsp.com</a>
Advisor Program	<b>Anthem</b> (844) 437-0488
Health Coach (life style management)	<b>Trestle Tree</b> (866) 856-4612
LiveHealth Online	<a href="http://www.livehealthonline.com">www.livehealthonline.com</a>
Annual Exam	<b>Health Dynamics</b> (866) 443-0164
<b>► Who to contact if you have questions about your Kaiser HMO benefits</b>	
<b>Kaiser Member Services</b> (800) 464-4000 <a href="http://www.kp.org">www.kp.org</a>	
<b>► Who to contact if you have questions about your COBRA Continuation Coverage</b>	
<b>Trust Fund Office</b> Direct line: (510) 633-0333, Toll Free: (888) 547-2054 Email: <a href="mailto:benefitservices@carpenterfunds.com">benefitservices@carpenterfunds.com</a> <a href="http://www.carpenterfunds.com">www.carpenterfunds.com</a>	
<b>► Who to contact if you have questions about your voluntary Dental Benefits</b>	
<b>Delta Dental (PPO)</b> (800) 765-6003 <a href="http://www.deltadentalins.com">www.deltadentalins.com</a>  <b>DeltaCare USA</b> Customer Relations (800) 422-4234	
<b>► Who to contact if you have questions about Health Insurance Marketplace</b>	
<b>Residents of California: Covered California</b> <a href="http://www.coveredca.com">www.coveredca.com</a>  <b>Residents of Other States: Health Insurance Marketplace</b> <a href="http://www.healthcare.gov">www.healthcare.gov</a>	
<b>► Who to contact if you have questions about your Medicare Coverage</b>	
Please call Medicare at 1-800-MEDICARE (1-800-633-4227) TTY users should call 1-877-486-2048.	



# ENROLLMENT AND ELIGIBILITY

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## Enrollment in the Retiree Plan

Every eligible Retiree must complete an enrollment form. Blank enrollment forms are available on-line at [www.carpenterfunds.com](http://www.carpenterfunds.com) or at the Trust Fund Office. Proper enrollment is required for coverage under this Plan. If enrollment has been requested but proper enrollment (including submission of supporting documents) has not been completed, claims will not be able to be considered for payment until such enrollment has been completed and submitted to the Trust Fund Office.

You must remain in any carrier (Indemnity or Kaiser) you have elected for at least 12 months (unless you are enrolled in Kaiser and you move out of the service area). After 12 months, you may then change to another carrier by submitting a new enrollment form indicating the change to the Fund Office.

Any change in carriers will be effective on the later of the first day of the second calendar month following the date:

- the enrollment form is received by the Fund; or
- the date a prepaid plan confirms enrollment in or disenrollment from a Medicare Risk plan.

## Enrollment in Medicare

If you are receiving Social Security retirement benefits when you turn age 65, you will be enrolled in Part A of Medicare automatically.

If you are not receiving Social Security retirement benefits, you will need to apply for Medicare. Contact the nearest Social Security Administration office in the 3 months before you turn age 65 to enroll in both Medicare Parts A and B. By enrolling promptly, you will avoid a possible delay in the start of your coverage and a possible increase in the premiums you will have to pay for Part B.

If you have questions about Medicare, visit [www.medicare.gov](http://www.medicare.gov) or call (800) 633-4227 (TTY users: (877) 486-2048)

Failure to enroll in **both** parts of Medicare could create serious financial hardship for you. **On the first day of the month you become eligible for Medicare, the benefits payable by this Plan will be limited to the Medicare supplemental benefits described on page 24 regardless of whether you have actually enrolled for Medicare and regardless of whether Medicare makes any payment.** This means that the Plan will pay only 20% for services normally covered by Part B of Medicare and only the Medicare inpatient hospital deductible amount if you are hospitalized.

HMO members eligible for Medicare must also enroll in Medicare, as they are required to assign the Medicare benefits to the HMO. If you are an HMO member who is eligible for Medicare and you do not enroll in both Parts A and B of Medicare, your coverage in the HMO plan will be terminated. In this case, you and your Dependents will be allowed to enroll in the Indemnity Plan; however, the Indemnity Plan will pay as though you had enrolled in both parts of Medicare.

If you become eligible for Medicare before your Spouse, your Spouse will continue to be covered by the Retiree benefits for non-Medicare eligible beneficiaries until he/she becomes eligible for Medicare. If your Spouse becomes eligible for Medicare before you, your Spouse is required to enroll in Medicare and receive Medicare supplemental benefits and you will continue to be covered by the non-Medicare benefits until you become eligible for Medicare.

## Proof of Dependent Status

Specific documentation to substantiate Dependent status will be required by the Plan, and may include a birth certificate, marriage certificate, proof of the dependent's age, and the dependent's social security number. Below are items the Plan may request to substantiate Dependent status. **Note that failure to provide timely proof of dependent status means that claims submitted to the Plan for the dependents will not be able to be considered for payment until such proof is provided.**

- **Spouse:** the certified marriage certificate.
- **Child:** the certified birth certificate showing the child is the biological child of the Retiree.
- **Stepchild:** the certified birth certificate of the child and marriage certificate of biological parent.
- **Child by Adoption or placement for adoption:** court order paper signed by the judge showing that the Retiree has adopted or intends to adopt the child.
- **Legal Guardianship:** the court-appointed legal guardianship documents and certified birth certificate and proof that the child is considered your dependent for federal income tax purposes.
- **Disabled Dependent Child:** Current written statement from the child's Physician indicating the Dependent child is currently mentally or physically disabled, provided the child was disabled and eligible as a Dependent under this Plan before reaching the limiting age. For a disabled Dependent Child over the limiting age, the Fund must receive a statement from the Retiree that he/ she provides financial support of the child.
- **National Medical Support Notice for Qualified Children:** A National Medical Support Notice (NMSN) or **Qualified Medical Child Support Order (QMCSO)** signed by a judge.
- **Domestic Partner:** The Retiree and domestic partner affidavit, evidence of joint financial responsibility showing they meet the requirements of this Plan's domestic partner eligibility, and payment of imputed taxes.
- **Domestic Partner Child:** The certified birth certificate showing the child is the biological child of the Domestic Partner and enrollment of the Domestic Partner.
- **Students:** Full time students of guardianship children or children of Domestic Partners from age 19 to age 23 with proof of full-time student status from an accredited institution.

#### **DEPENDENT SOCIAL SECURITY NUMBERS NEEDED**

To comply with federal Medicare coordination of benefit regulations and certain IRS reporting rules, you must promptly furnish to the Plan Administrator, or its designee, the Social Security Number (SSN) of your Eligible Dependents for whom you have elected, or are electing, Plan coverage, and information on whether you or any of such dependents are currently enrolled in Medicare or have disenrolled from Medicare. This information will be requested when you first enroll for Plan coverage but may also be requested at a later date.

If a dependent does not yet have a social security number, you can go to this website to complete a form to request a SSN: <http://www.socialsecurity.gov/online/ss-5.pdf>. Applying for a social security number is FREE.

Failure to provide the SSN or failure to complete the CMS model form (form is available from the Claims Administrator or <http://www.cms.gov/Medicare/Coordination-of-Benefits-and-Recovery/Mandatory-Insurer-Reporting-For-Group-Health-Plans/Downloads/New-Downloads/RevisedHICNSSF081809.pdf>) means that claims for eligible individuals may not be considered a payable claim for the affected individuals.

### **Option to Decline Vision Plan Coverage (Not applicable to Kaiser Participants)**

If you elect the Indemnity Medical coverage, you will be automatically enrolled in vision coverage. In accordance with Health Reform regulations, you have the option to decline the Plan's vision coverage.

- Note that there is no additional compensation to you if you choose to decline/waive vision coverage.
- If you would like to decline vision coverage, please notify the Trust Fund Office in writing.

Changes to your enrollment in the Plan's vision coverage is permitted once each 12-month period.



## Plan Benefits

When you are eligible and you enroll, you may choose to be covered by the Indemnity Medical Plan and the prescription drug coverage provided directly by the Fund, or by the Kaiser HMO Plan. The Indemnity Medical Plan and prescription drug coverage provided by the Fund are described in this booklet. The Kaiser HMO benefits are described a separate brochure available from Kaiser.

Your eligible Dependents will be enrolled in the same plan you choose for yourself.

**Note:** To be eligible for the Kaiser HMO, you must live in Kaiser's service area. If you are eligible for Medicare because you are age 65 or over or disabled, you will not be permitted to enroll in Kaiser unless you are enrolled in both Part A and Part B of Medicare and have assigned your Medicare benefits to Kaiser.

## Retiree Eligibility

The eligibility requirements are described on the following pages. Please read the important information below regarding enrollment in this Plan and enrollment in Medicare.

You are eligible for health and welfare benefits if you meet **each** of the following 5 requirements:

- (1) You must be in receipt of pension benefits from the Carpenters Pension Trust Fund for Northern California or a related plan that is based on 10 or more years of eligibility credit, based on Hours of Work or Qualified Military Service. You may use qualifying hours from any of the following plans to satisfy the 10 years of eligibility credit requirement:
  - Carpenters Pension Trust for Northern California
  - Carpenters Fund Administration Office Staff Plan
  - Any Lathers Plan merged into the Carpenters Pension Trust Fund for Northern California
  - OPEIU Local 3 or 29 (if service was with a Contributing Employer)
  - Industrial Carpenters Pension Plan
  - Any Pension Plan when required by a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board and/or any of its affiliates
- (2) In each of the 2 calendar years immediately preceding the calendar year in which your pension effective date occurred, you worked at least 300 hours in covered employment for a Contributing Employer, during which time contributions were required to be paid into the Active Employees' Plan A, Plan B, or Plan R.

For purposes of the above 300-hour provision, you may count hours worked in the year of retirement even if you do not work a full calendar year. You may also count hours of disability credit granted under the provisions of the Active Employees' Plan, hours of disability credit granted under the provisions of the Carpenters Pension Trust Fund for Northern California, and hours worked for a contributing employer in the Southwest Carpenters Health and Welfare Plan.
- (3) In 3 of the last 5 calendar years immediately preceding the calendar year in which your pension effective date occurred, you worked at least 400 hours per year in covered employment for a Contributing Employer, during which time contributions were required to be paid into the Active Employees' Plan A, Plan B, or Plan R. For purposes of this 400-hour requirement, you can count hours worked in the year of retirement even if you do not work a full calendar year. **Hours of disability credit may not be used to satisfy this requirement.**
- (4) You did not engage in any hours of work for wages or profit in the Building and Construction Industry for an entity that was not a Contributing Employer to the Active Employees' Plan, or not a contributing employer to a related plan that is signatory to the International Reciprocal Agreement for Carpenters Health and Welfare Funds (including self-employment) during the calendar year in which you pension effective date occurred, and in each of the 2 immediately preceding calendar years.
- (5) You make the required self-payments in the form and manner designated by the Board of Trustees.

If you have reciprocal eligibility credits from the Southwest Carpenters Pension Trust, see also "Reciprocity with the Southwest Carpenters Health and Welfare Trust" on page 17.

## When Retiree Participation Begins

If you are a Retiree who meets the requirements discussed above, your participation in this Plan will begin the first day of the 4<sup>th</sup> month on the following your date of retirement or the first day of the month following exhaustion of eligibility provided by your Hour Bank under the Active Employees' Plan, whichever is earlier.

**For example:** If you retired on March 1 and had an Active Hour Bank balance of 600 hours (6 months of Future Eligibility), your Retiree coverage would begin on June 1. (June 1 would be the first day of the fourth month following your date of retirement and would be **earlier** than the end of the 6 months of eligibility provided by your Active Hour Bank.)

If you retired on March 1 and had an Active Hour Bank balance of 200 hours (2 months of future eligibility), your Retiree coverage would begin on May 1. (The end of the 2 months of eligibility provided by your Active Hour Bank would be **earlier** than the first day of the fourth month-following your date of retirement.)

## Termination of Eligibility

Your eligibility will terminate on the *earlier* of the following dates:

- At the end of the last month for which a pension benefit is payable to you from the Carpenters Pension Trust Fund for Northern California or one of the related plans mentioned under "Retiree Eligibility" on page 10, including a suspension of pension benefit payments, or
- At the end of the month for which your last self-payment was received by the Trust Fund.

## Extended Eligibility for Surviving Dependents of Deceased Retirees

The Plan has the following provisions for extended eligibility for your Dependents in the event of your death:

- **Extension for Spouse only:** If you were receiving a Joint and Survivor Pension at the time of your death and you have a surviving Spouse who will receive the Spouse's portion of that pension, he or she may continue eligibility for himself or herself only, provided the required self-payment is made.
- **Extension for Spouse and Dependent children** (whether you are receiving your pension in the Joint and Survivor Pension payment form or some other payment form): If you die before receiving pension benefits (other than a Disability Pension) for at least 60 months, your Spouse and eligible Dependent children may continue their eligibility for the remainder of the 60-month period, provided the required self-payment is made. If you are receiving a Disability Pension or a Reciprocal Disability Pension and you die before receiving benefits for at least 36 months, your Spouse and eligible Dependent children may continue their eligibility for the remainder of the 36-month period, provided the required self-payment is made. In either case, if the Spouse remarries prior to the termination of pension payments, coverage under this extension will terminate on the date of remarriage.

## Extended Benefits for Inpatient Hospital, Skilled Nursing Facility or Home Care

If you are receiving Plan benefits for inpatient Hospital, Skilled Nursing Facility or Home Health Care on the date coverage ends because of a loss of eligibility, you will continue to receive benefits for that care until you are discharged from the Hospital or Skilled Nursing Facility or your covered home health care is completed.

These extended benefits are subject to the same terms that would have applied if this coverage had remained in force.

## Engagement in Employment

The following rules will apply if you engage in a type of work that requires contributions to the Active Employees' Plan during the period noted above, provided that work does not result in the suspension of benefit payments from the Carpenters Pension Trust Fund for Northern California:

You will not establish eligibility under the Active Employees' Plan regardless of the number of hours worked, however, if you work enough consecutive hours that in the absence of this rule you would have qualified for

eligibility under the Active Employees' Plan, 50% of the health and welfare contributions paid to the Active Employee's Plan on your behalf will be used to offset your self-pay contributions for Retiree health coverage.

This offset will only be granted for 50% of contributions on up to a maximum of 480 hours in a calendar year.

If you are not an eligible Retired Employee in this Plan, or if the hours worked are less than the number required to earn eligibility under the Active Employee's Plan in the absence of this rule, no health and welfare contributions will be credited on your behalf.

## **Dependents' Eligibility**

If you elect coverage for yourself, you can also enroll your eligible Dependents on the later of the day you become eligible for your own coverage or the day you acquire an eligible Dependent, either by marriage, birth, adoption or placement for adoption, but only if you have submitted a completed written enrollment form that may be obtained from the Trust Fund Office and provided the Plan's required proof of Dependent status is received by the Trust Fund Office, and submitted the request in the timeline spelled out in the Plan guidelines.

A Dependent may not be enrolled for coverage unless the Retiree is also enrolled (except as a surviving Dependent of a deceased Retiree). Specific documentation to substantiate Dependent status will be required by the Plan. An eligible Dependent includes:

- Your lawful spouse;
- Your Qualified Domestic Partner (as defined below);
- Your child who is:
  - 1) a natural child, stepchild, legally adopted child, or a child that is required to be covered under a National Medical Support Notice or Qualified Medical Child Support Order, who is younger than 26 years of age, whether married or unmarried. Adopted children are eligible under the Plan when they are placed for adoption.
  - 2) an unmarried child for whom you have been appointed legal guardian, provided the child is younger than 19 years of age and is considered your dependent for federal income tax purposes;
  - 3) an unmarried child of your qualified Domestic Partner, provided the child is younger than 19 years of age and is primarily dependent on you for financial support;
  - 4) an unmarried child eligible under paragraph (2) or (3) above who is at least 19 but less than 23 years of age and a full time student at an accredited educational institution, provided the child otherwise meets the requirements of paragraph (2) or (3) above; or
  - 5) an unmarried child of you or your Spouse or qualified Domestic Partner of any age who is prevented from earning a living because of mental or physical disability, provided the child was disabled and eligible as a Dependent under this Plan before reaching the limiting age described in paragraphs (1), (2), (3) or (4) above, and provided the child is primarily dependent on the Retiree for financial support.

**For Children of a Domestic Partner or Children who are covered under a legal guardianship:** If the Plan receives a written certification from a child's treating Physician that (1) the child is suffering from a serious illness or injury, and (2) a leave of absence (or other change in enrollment) from a postsecondary institution is Medically Necessary, and if the loss of student status would result in a loss of health coverage under the Plan, the Plan will extend the child's coverage for up to one year. This maximum one-year extension of coverage begins on the first day of the Medically Necessary leave of absence (or other change in enrollment) and ends on the date that is the earlier of (i) one year later, or (ii) the date on which coverage would otherwise terminate under the terms of the Plan (for example, when the child reaches the Plan's limiting age). You or your Dependent must submit a Physician's certification of the medical necessity for the leave to the Trust Fund Office at least 30 days prior to the medical leave of absence if it is foreseeable, or 30 days after the start of the leave of absence in any other case.

**National Medical Support Notice (NMSN) or Qualified Medical Child Support Orders (QMCSO):** In accordance with ERISA Section 609(a), the Fund will provide coverage for a child of a Participant if required by a Qualified Medical Child Support Order, including a National Medical Support Notice (NMSN). A QMCSO or NMSN will supersede any requirements in the Plan's definition of Dependent stated above. The Plan will enroll as directed by the Order any child of a Plan Participant specified by the Order. A *Qualified Medical Child Support Order* is any judgment, decree or order (including approval of a domestic relations settlement agreement or National Medical Support Notice) issued by a court that:

- Provides the child of a Plan Participant with child support or directs the Participant to provide the child with coverage under a health benefits plan, or
- Enforces a state law relating to medical child support pursuant to Section 1908 of the Social Security Act, which provides in part that if the Participant parent does not enroll the child, then the non-Participant parent or State agency may enroll the child.
- A Medical Child Support Order will not qualify if it would require the Plan to provide any type or form of benefit or any option not otherwise provided under this Plan, except to the extent necessary to comply with Section 1908 of the Social Security Act.

When in receipt of a QMCSO or NMSN, the Fund is required to enroll the child(ren) in the Plan.

No eligible Participant's child covered by a Qualified Medical Child Support Order will be denied enrollment on the grounds that the child is not claimed as a dependent on the parent's federal income tax return or does not reside with the parent.

Procedures governing NMSN or QMCSO are available from the Trust Fund Office.

**Qualified Domestic Partners:** The term "Qualified Domestic Partner" means a person who resides with the Participant in the same residence, is at least 18 years of age and whose relationship with the Participant meets the following requirements:

- The Domestic Partner and the Participant have an intimate, committed relationship of mutual caring for a period of at least 6 months and are each other's sole domestic partner;
- The Domestic Partner and the Participant share joint responsibility for each other's common welfare and financial obligations and can submit proof of that relationship as required by the Board of Trustees;
- Neither the Domestic Partner nor the Participant is married;
- The Domestic Partner and the Participant are each competent to contract;
- The Domestic Partner and the Participant are not related by blood closer than would prohibit legal marriage in the State of California;
- Any prior domestic partnership of either person has been terminated at least 6 months prior to the date of the signing of the final declaration of domestic partnership with the Trust Office; and
- Application for domestic partnership with the Participant is properly made as required by the Board of Trustees and all required taxes on the imputed income attributable to Domestic Partner benefits are paid to the Fund when due.

The following chart outlines the Fund's rules for Dependent eligibility:

Dependent	Limiting Age and/or Eligibility Requirements	Documentation Required
Spouse	Legally married	<ul style="list-style-type: none"> <li>• The certified marriage certificate; and</li> <li>• Social Security number (or tax identification number).</li> </ul>
Domestic Partner	Must be a Qualified Domestic Partner	<ul style="list-style-type: none"> <li>• The Retiree and domestic partner affidavit;</li> <li>• Evidence of joint financial responsibility showing they meet the requirements of this Plan's domestic partner eligibility;</li> <li>• Social Security number (or tax identification number); and</li> <li>• Payment of imputed taxes.</li> </ul>

<b>Dependent</b>	<b>Limiting Age and/or Eligibility Requirements</b>	<b>Documentation Required</b>
Natural child	Younger than age 26	<ul style="list-style-type: none"> <li>• The certified birth certificate showing biological child of the Retiree; and</li> <li>• Social Security number (or tax identification number).</li> </ul>
Stepchild	Younger than age 26	<ul style="list-style-type: none"> <li>• Certified birth certificate;</li> <li>• Divorce decree;</li> <li>• Marriage certificate; and</li> <li>• Social Security number (or tax identification number).</li> </ul>
Legally adopted child (or placed for adoption)	Younger than age 26	<ul style="list-style-type: none"> <li>• Court order paper signed by the judge showing that the Retiree has adopted or intends to adopt the child (placed for adoption);</li> <li>• Certified birth certificate; and</li> <li>• Social Security number (or tax identification number).</li> </ul>
Children who are required to be covered due to a Qualified Medical Child Support Order (or under a National Medical Support Notice)	Younger than age 26 (or when the QMCSO or National Medical Support Notice terminates)	<ul style="list-style-type: none"> <li>• A National Medical Support Notice (NMSN) or Qualified Medical Child Support Order (QMCSO) signed by a judge; and</li> <li>• Social Security number (or tax identification number).</li> </ul>
Children of a Domestic Partner	<ul style="list-style-type: none"> <li>• Younger than age 19;</li> <li>• Primarily dependent on the Retiree for financial support; and</li> <li>• Younger than age 23 if a fulltime student at an accredited educational institution.</li> </ul>	<ul style="list-style-type: none"> <li>• The certified birth certificate showing the child is the biological child of the Domestic Partner;</li> <li>• Proof of financial dependency;</li> <li>• Social Security number (or tax identification number); and</li> <li>• Payment of imputed taxes.</li> </ul> <p>In addition, full time students of who are children of Domestic Partners from age 19 to age 23 must provide proof of full-time student status from an accredited institution.</p>
Children who are required to be covered under a legal guardianship:	<ul style="list-style-type: none"> <li>• Younger than age 19;</li> <li>• Must be considered the Retiree's Dependent for federal income tax purposes; and</li> <li>• Younger than age 23 if a fulltime student at an accredited educational institution.</li> </ul>	<ul style="list-style-type: none"> <li>• The court-appointed legal guardianship documents;</li> <li>• Certified birth certificate;</li> <li>• Proof that the child is considered your dependent for federal income tax purposes; and</li> <li>• Social Security number (or tax identification number).</li> </ul> <p>In addition, guardianship children from ages 19 to age 23 must provide the Fund with proof of full-time student status from an accredited institution.</p>
Mentally or Physically disabled child	<p>No limiting age if the dependent qualifies as a disabled child and is:</p> <ul style="list-style-type: none"> <li>• Unmarried;</li> <li>• Prevented from earning a living because of mental or physical disability,</li> <li>• Was eligible as a Dependent under the Plan prior to the limiting age; and</li> </ul>	<ul style="list-style-type: none"> <li>• Documentation from their Physician stating the child is incapable of earning a living due to mental or physical disability;</li> <li>• Documentation confirming that the disabled child is primarily dependent upon the Retiree for financial support; and</li> <li>• Social Security number (or tax identification number).</li> </ul>

Continued...

Dependent	Limiting Age and/or Eligibility Requirements	Documentation Required
	<ul style="list-style-type: none"> <li>Primarily dependent on the Retiree for financial support.</li> </ul>	

### ***When Dependent Participation Begins***

Your eligible Dependents begin their Plan participation on the same date you do. If you get married or have a new Dependent child after that date, your new Dependent(s) begin their participation on the date you acquire them, provided you enroll your new Spouse within 60 days after the date of marriage and the new child within 60 days of the child's birth or adoption or the date you became the child's legal guardian.

### ***Termination of Eligibility for Dependents***

- On the date the Participant's eligibility terminates or, in the event of the death of the Participant, on the date his or her eligibility would have terminated but for this death; or
- On the date he or she no longer qualifies as a Dependent, except that eligibility for Dependent natural children, stepchildren and legally adopted children will terminate at the end of the month in which the Dependent turns age 26; or
- On the date you stop making the required self-payments for a Dependent's coverage.

### **Medicare**

If you are not eligible for Medicare when you first retire, you may delay enrolling in the Plan until you become eligible for Medicare. You must request enrollment with the Fund Office ***within 90 days*** of becoming entitled to Medicare. This same provision applies to your Spouse if he or she is not eligible for Medicare when you first retire. (If a Spouse becomes eligible for Medicare before the Retiree, the Spouse may enroll when the Retiree enrolls regardless of the Spouse's Medicare effective date.)

### **Special Enrollment**

#### ***Newly Acquired Spouse and/or Dependent Child(ren)***

- If you delay enrollment in the Plan when you initially retire and subsequently acquire a Spouse by marriage, or acquire any Dependent Child(ren) by birth, adoption or placement for adoption or marriage, you may request enrollment for yourself and your new Spouse and/or any Dependent Child(ren) no later than 31 days after the date of marriage, birth, adoption or placement for adoption. (Note: A child is "Placed for Adoption" with you on the date you first become legally obligated to provide full or partial support of the child whom you plan to adopt.)
- If you are enrolled in the Plan and then acquire a Spouse by marriage, or acquire any Dependent Child(ren) by birth, adoption or placement for adoption, you may request enrollment for your new Spouse and/or any Dependent Child(ren) within 60 days after the date of marriage, birth, adoption or placement for adoption.



### ***Loss of Other Coverage***

If you delay enrollment in the Plan when you initially retire because you, your Spouse, and/or any Dependent Child(ren) had health care coverage under another group health plan or health insurance policy (including COBRA Continuation Coverage, certain types of individual health insurance, Medicare, Marketplace or other public program) **and** you, your Spouse and/or any Dependent Child(ren) **loses coverage** under that other group health plan or health insurance policy; and you are eligible for coverage under this Plan, you may request enrollment for yourself and/or your Spouse and/or any Dependent Child(ren) within **31 days** after the termination of their coverage under that other group health plan or health insurance policy **if** that other coverage terminated because of:

- loss of eligibility for that coverage including loss resulting from divorce, death, voluntary or involuntary termination of employment or reduction in hours (but does not include loss due to failure of Participant to pay premiums on a timely basis or termination of the other coverage for cause); or
- termination of employer contributions toward that other coverage (an employer's reduction but not cessation of contributions does not trigger a special enrollment right); or
- the health insurance that was provided under COBRA Continuation Coverage, and such COBRA coverage was **"exhausted;"** or
- moving out of an HMO service area if HMO coverage terminated for that reason and, for group coverage, no other option is available under the other plan.

COBRA Continuation Coverage is **"exhausted"** if it ceases for any reason other than either the failure of the individual to pay the applicable COBRA premium on a timely basis, or for cause (such as making a fraudulent claim or an intentional misrepresentation of material fact in connection with that COBRA Continuation Coverage). Exhaustion of COBRA Continuation Coverage can also occur if the coverage ceases:

- due to the failure of the employer or other responsible entity to remit premiums on a timely basis;
- when the employer or other responsible entity terminates the health care plan and there is no other COBRA Continuation Coverage available to the individual;
- when the individual no longer resides, lives, or works in a service area of an HMO or similar program (whether or not by the choice of the individual) and there is no other COBRA Continuation Coverage available to the individual; or
- because the 18-month, 29-month or 36-month (as applicable) period of COBRA Continuation Coverage has expired.

### ***Medicaid or a State Children's Health Insurance Program (CHIP):***

When you are eligible for benefits under this Plan, you and your dependents **may also enroll in this Plan** if you (or your eligible dependents):

- have coverage through **Medicaid or a State Children's Health Insurance Program (CHIP)** and you (or your dependents) **lose eligibility for that coverage**. However, you must request enrollment in this Plan within **60 days** after the Medicaid or CHIP coverage ends; or
- become **eligible for a premium assistance program through Medicaid or CHIP**. However, you must request enrollment in this Plan within **60 days** after you (or your dependents) are determined to be eligible for such premium assistance.

### ***Start of Coverage for Special Enrollment:***

- **Coverage of an individual enrolling because of loss of other coverage or because of marriage:** If the individual requests Special Enrollment within the timeline described above coverage will become effective on the first day of the month following the date the Plan receives the request for Special Enrollment.
- If the individual requests enrollment within 60 days of the date of the Special Enrollment opportunity related to Medicaid or a State Children's Health Insurance Program (CHIP), generally coverage will become effective on the first day of the month following the date of the event that allowed this Special Enrollment opportunity.
- **Coverage of a newborn or newly adopted newborn Dependent Child** who is properly enrolled within 31 days after birth will become effective as of the date of the child's birth.

- **Coverage of a newly adopted Dependent Child or Dependent Child Placed for Adoption** who is properly enrolled more than 31 days after birth, but within 31 days after the child is adopted or placed for adoption, will become effective as of the date of the child's adoption or placement for adoption, whichever occurs first.
- Individuals enrolled during Special Enrollment have the same opportunity to select plan benefit options at the same costs and the same enrollment requirements as are available to similarly-situated Participants at Initial Enrollment.

### ***If You Elected COBRA Continuation Coverage***

When you retired, you may have been offered a choice between Retiree coverage or COBRA Continuation Coverage. If you elected to continue your Active Employee benefits for 18 months under COBRA when you retired, your participation in this Retiree Plan will start the first day of the month following the date you have exhausted the maximum duration of COBRA Continuation Coverage.

### ***Re-Enrollment After Terminating Coverage***

If you and/or your Spouse enrolled in the Plan and subsequently terminated coverage under the Fund because you became covered under an employer's health plan, the Affordable Care Act Health Insurance Marketplace or state exchange if not eligible for Medicare, or under another employer or trust fund Medicare Advantage contract, you may re-enroll in this Plan **within 31 days** of the date the other coverage ceases. In order for a Spouse to enroll in the Plan, the Retiree must also be enrolled, except in the case of a surviving Spouse.

### ***Reciprocity with the Southwest Carpenters Health and Welfare Trust***

If you are in receipt of a Reciprocal Service Pension from the Carpenters Pension Trust Fund for Northern California and would satisfy the ten years of Pension eligibility credit requirement even if you didn't have the Southwest Carpenters eligibility credits, you may choose this Fund's retiree health and welfare coverage and the required self-payment amount will be based on the years of eligibility credit under this Fund only and not the combined years of eligibility credit under the two trust funds.

### ***Options for Dependents of a Retiree When Coverage Ends***

**When Dependent coverage under this Plan terminates you may have** the option to buy temporary continuation of this group health plan coverage by electing COBRA (for Dependents of a Retiree), or you can look into your options to buy an individual insurance policy for health care coverage from the **Health Insurance Marketplace**.

Also, in the Marketplace you could be eligible for a tax credit that lowers your monthly premiums for Marketplace-purchased coverage. Being eligible for COBRA does not limit your eligibility for coverage for a tax credit. For more information about the Health Insurance Marketplace, visit [www.coveredca.com](http://www.coveredca.com) (for residents of California) or [www.healthcare.gov](http://www.healthcare.gov). Also, you may qualify for a special enrollment opportunity for another group health plan for which you are eligible (such as a spouse's plan), if you request enrollment in that other plan within 30 days of losing coverage under this Plan.

When coverage under this Plan terminates, remember that you have options to consider in order to avoid the Affordable Care Act Individual Mandate penalty. For more information on the Individual Mandate, talk with your tax advisor or visit [www.healthcare.gov](http://www.healthcare.gov).



# COBRA: CONTINUATION OF COVERAGE UNDER FEDERAL LAW

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*(This COBRA Continuation Coverage does not apply to Domestic Partners or children of Domestic Partners. Refer to page 22 for Domestic Partner provisions.)*

Under federal law known as COBRA, the Trust Fund is required to offer Dependents of a Retiree the opportunity for a temporary continuation of health coverage in certain circumstances where coverage under the Plan would otherwise terminate.

**Please note:** COBRA coverage under this Plan is for Dependents only.

If you are a Dependent of a Retiree covered under this Plan and one of the following events (known as a Qualifying Events) occurs and results in a loss of coverage, you have the right to continue health coverage that was in effect at the time of the Qualifying Event. To receive this continuation coverage, you must pay monthly premiums to the Fund.

## Other Health Coverage Alternatives to COBRA (For People Who are Not Eligible for Medicare)

Note that you may also have other health coverage alternatives to COBRA available to you that can be purchased through the **Health Insurance Marketplace** (*the Marketplace helps people without health coverage find and enroll in a health plan. For California residents see: [www.coveredca.com](http://www.coveredca.com). For non-California residents see your state Health Insurance Marketplace or [www.healthcare.gov](http://www.healthcare.gov)*).

Also, in the Marketplace you could be eligible for a tax credit that lowers your monthly premiums for Marketplace-purchased coverage. Being eligible for COBRA does not limit your eligibility for coverage for a tax credit. Also, you may qualify for a special enrollment opportunity for another group health plan for which you are eligible (such as a spouse's plan), if you request enrollment in that other plan within 30 days of losing coverage under this Plan, even if that other plan generally does not accept late enrollees.

## Qualifying Events

The following are COBRA Qualifying Events:

1. The death of the Retiree;
2. A divorce of the Retiree and Spouse; or
3. Cessation of Dependent child's dependent status.

## Duration of COBRA Coverage

COBRA coverage can continue generally for up to 36 months. The 36 months will be offset by any extended coverage provided under SECTION 2.01.d.(5) of the Plan Document.

## Cost of Continuation Coverage – Benefits That May Be Continued

COBRA Continuation Coverage is available only at your own expense. If your Dependent(s) elects to continue coverage, the full cost, plus a 2% administrative fee, will be charged.

You may elect to continue:

- Medical and prescription drug coverage only (Core Coverage); or
- Medical, prescription drug, and vision coverage (Core Plus Coverage).

## ***Paying for COBRA Coverage***

The Fund Office will notify you of the cost of the coverage at the time you receive your notice of entitlement to COBRA coverage and of any monthly COBRA premium amount changes.

There will be an initial grace period of 45 days to pay the first premium due starting with the date COBRA coverage was elected.

If this first payment is not made when due, COBRA coverage will not take effect. After the first payment, subsequent payments are due on the first day of each month.

If you make a payment later than the first day of the coverage month to which it applies, but before the end of the grace period for that month, your benefits under the plan will be suspended as of the first day of the coverage month and then retroactively reinstated (going back to the first day of the coverage month) when the payment is received. This means that any claim you submit for benefits while your coverage is suspended may be denied and may have to be resubmitted once your coverage is reinstated.

The cost of COBRA Continuation Coverage may be subject to future increases during the period it remains in effect.

There will be a grace period of 30 days to pay the monthly premium payments. If payment of the amount due is not made by the end of the applicable grace period, your COBRA coverage will terminate.

## ***Your Duty to Notify Fund Office***

You or your Dependent is responsible for providing the Fund Office with notice of the Qualifying Event no later than 60 days following:

- The Retiree's death;
- A divorce of the Retiree and Spouse; or
- Cessation of Dependent child's dependent status.

**Note:** Failure to provide this notice within 60 days may prevent your Dependent(s) from obtaining or extending COBRA coverage.

**Note:** Failure to provide this notice within the time frames described below may prevent your Dependents from obtaining or extending COBRA coverage.

**You must make sure that the Trust Fund Office is notified of any of the occurrences listed above.**

## ***How to Notify the Fund Office***

Notice of any qualifying event must be given to the Fund Office in writing. Written notice must contain the following information:

- Name of the qualified beneficiary,
- The Retiree's name and ID number or social security number,
- The event for which you are providing notice and the date of the Qualifying Event (for example, the date of a Dependent child's 26<sup>th</sup> birthday, and
- A copy of the final marital dissolution if the Qualifying Event is a divorce,
- If you are a legal guardianship child of the Retiree or a child of the Domestic Partner of the Retiree and your status as a Dependent is based upon your full-time student status, and your Qualifying Event is a loss of status as an eligible Dependent, your letter should include the date you last attended school.

If you have any questions about how to notify the Fund of one of these events, please email the Trust Fund Office at [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com) or you may call (510) 633-0333 or (888) 547-2054.

## ***Who Can Notify the Fund Office***

Notice may be provided by the Retiree, the Dependent, or by any representative acting on behalf of the Dependent.

Notice from one individual will satisfy the notice requirement for all related qualified beneficiaries affected by the same Qualifying Event. For example, if a spouse notifies the Fund Office of a Retiree's death, that single notice would satisfy the notification requirement for any eligible Dependent Children.

## ***Where to Send Your Notice***

Notice of Qualifying Event must be provided to the Fund Office at the following address:

Carpenters Health and Welfare Trust Fund for California  
265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Attention: Benefit Services

You can also e-mail your notice to [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com).

## ***When to Notify the Fund Office***

You must send the notice no later than **60 days after** the date of the Qualifying Event. Your Dependent's COBRA rights will be forfeited if you do not notify the Fund Office within this time frame.

## **Electing Continuation Coverage**

After receiving notice of a Qualifying Event, the Fund Office will send you a notice of your right to choose continuation coverage with an election form, or, if you do not qualify for continuation coverage, a Notice of Unavailability of COBRA Coverage. These notices will be sent within 60 days of the date the Fund Office receives notice of the Qualifying Event.

**You must sign and return the Election Form to the Fund Office no later than 60 days after the date of your loss of eligibility or the date the Fund Office provides the COBRA election Notice (whichever is later) or you will forfeit your right to COBRA Continuation Coverage.**

COBRA rights will be forfeited if you do not file the COBRA election form within this 60-day period.

If your Spouse and eligible Dependent children do not elect continuation coverage, coverage will end. Their initial continuation coverage must be identical to coverage provided to similarly situated Dependents under the Plan on the day prior to the Qualifying Event, although it may be modified if coverage changes for other Participants or family members.

## **Adding New Dependents**

If, while your spouse is enrolled for COBRA Continuation Coverage, he or she has a newborn child, a child placed for adoption, or assumes legal guardianship of a child, that child may be enrolled for the balance of the period of your spouse's continuation coverage, by sending a completed enrollment form to the Trust Fund Office within 30 days after the birth, marriage or placement for adoption.

Special enrollment for the balance of your COBRA period is also allowed for dependents who lose other coverage. For this to occur:

- Your dependent must have been eligible for COBRA coverage on the date of the qualifying event but declined when enrollment was previously offered because he or she had coverage under another group health plan or had other health insurance coverage,
- Your dependent must exhaust the other coverage, lose eligibility for it, or lose employer contributions to it, and

- You must enroll that dependent by sending an enrollment form to the Trust Fund Office within 30 days after the termination of the other coverage or contributions.

## Changing Medical Plans Under COBRA Continuation Coverage

If your Dependents wish to change medical plans while on COBRA, he or she must meet the same requirements as active Plan Participants. This means that he or she must be in a medical plan for at least 12 months before changing to a different medical plan. Exceptions are made only if the Dependent is enrolled in Kaiser and moves out of the Kaiser service area or a change is approved by the Board of Trustees.

If your Dependent is eligible for a change, he or she may submit a new enrollment form indicating the change to the Fund Office. Any change in plans will be effective on the later of the first day of the second calendar month following the date the enrollment form is received by the Fund, or the date a prepaid plan confirms enrollment in or disenrollment from a Medicare risk plan.

## Termination of COBRA Continuation Coverage

COBRA Continuation Coverage will terminate at the end of the maximum 36-month continuation period allowed. COBRA Continuation Coverage will terminate earlier, before the end of the 36-month period, upon the occurrence of any of the following events:

- Your Dependent fails to remit the required premium payments in full and on time (within 45 days following the submission of the initial COBRA election form and including the cost of coverage retroactive to the first day your coverage would have otherwise terminated, or within 30 days following the due date for subsequent monthly payments).
- Your Dependent becomes covered under any other group medical plan after the date you elect COBRA coverage.
- Your Dependent(s) becomes entitled to Medicare after the date of your COBRA election (Entitled to Medicare means being enrolled in either Part A or Part B of Medicare, whichever occurs earlier).
- The Trust Fund ceases to provide group health coverage to any participants.

COBRA Continuation Coverage will terminate on the first day of the month following any of these events.

COBRA Continuation Coverage will terminate on the first day of the month following events 1 through 4.

If COBRA coverage is terminated before the end of the maximum period of coverage, the Fund Office will send you a written notice as soon as practicable following its determination that continuation coverage will terminate.

## Conversion to Kaiser Individual Coverage

If your Dependent(s) are enrolled in Kaiser when your COBRA Continuation Coverage ends, he or she may enroll in any individual conversion plan offered by Kaiser at the end of the Continuation Coverage period, as described in their Evidence of Coverage brochure.

Check your Kaiser Evidence of Coverage brochure for more information on how to enroll in a conversion plan. You can also call Kaiser's Member Services department.

This option applies only to Kaiser members.

Note: Your Dependent(s) may also have the option to purchase individual conversion coverage from Kaiser instead of COBRA coverage, but only if he or she was enrolled in Kaiser when your Trust Fund coverage ended.

## Keeping the Fund Office Notified

If you have changed marital status, or you have changed your address, please contact the Fund Office.

**Note:** Should federal or state law change the provisions of COBRA in existence at the time this Summary Plan Description is printed or if there is a change to the Plan, the Trust Fund will advise you of these changes.

## COBRA Continuation Coverage – Quick Reference Chart

Qualifying Event	Qualified Beneficiary	Maximum Continuation Period
A Retiree's death	Your Spouse and Dependent children	36 months after date of Qualifying Event
Your divorce	Your former Spouse and Dependent children	36 months after date of Qualifying Event
Cessation of Dependent status under Plan	Affected child if covered under Plan	36 months after date of Qualifying Event

## Continuation of Coverage for Domestic Partners and Children of Domestic Partners

Eligible Domestic Partners of a Retiree and eligible children of Domestic Partners who lose eligibility under the Plan may continue Plan coverage through self-payment for a limited period of time. The Domestic Partner and children of the Domestic Partner who lose eligibility under the Plan may continue Plan coverage when eligibility is lost due to any of the following reasons:

- The Retiree's death
- Termination of the Domestic Partner relationship with the Retiree
- Cessation of child's Dependent status under the Plan

**Premiums.** A premium for continuation coverage will be charged to the Domestic Partner or Dependent child, or both, in amounts established by the Board of Trustees. The premium is payable in monthly installments.

Coverage may be continued for up to 36 months from the date of the event that resulted in loss of eligibility.

Continuation coverage will be terminated before the end of the 36-month period upon the occurrence of any of the following events:

- The required premium payment for continuation coverage is not paid when due.
- The Trust Fund ceases to provide group health coverage to any participants.
- The Domestic Partner or Dependent child becomes covered under any other Group Plan (as a participant or otherwise).
- Any COBRA beneficiary who becomes entitled to Medicare coverage.

## Election and Notice Procedure for Domestic Partner Continuation Coverage

The Domestic Partner or child of the Domestic Partner, or both, must elect continuation coverage within 60 days after the later of:

- The date of any of the events described above under "Continuation Coverage"; or
- The date the Fund Office provides notice the individual of his/her right to continuation coverage.

## KAISER HMO

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If you are enrolled with the Kaiser Permanente HMO Plan, you will be eligible for medical, prescription drug, hearing aid and vision benefits.

If you would like a copy of your Kaiser Evidence of Coverage (EOC), please contact Kaiser Member Services at (800) 464-4000 or visit [www.kp.org](http://www.kp.org)

### **Patient Protection Rights**

#### ***PCP Designation***

Kaiser generally requires the designation of a primary care provider. You have the right to designate any primary care provider who participates in the network and who is available to accept you or your family members. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact Kaiser at Member Services at (800) 464-4000.

For children, you may designate a pediatrician (including pediatric subspecialties) as the primary care provider, if provider is accepting patients.

#### ***Access to Ob/Gyn Provider***

You do not need prior authorization from Kaiser or from any other person (including a primary care provider) in order to obtain access to obstetrical or gynecological care from a health care professional in our network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals. For a list of participating health care professionals who specialize in obstetrics or gynecology, contact Kaiser at the telephone number listed above.

#### ***Nondiscrimination in Health Care***

In accordance with the Affordable Care Act, to the extent an item or service is a covered benefit under the Plan, and consistent with reasonable medical management techniques with respect to the frequency, method, treatment or setting for an item or service, Kaiser will not discriminate with respect to participation under the Plan or coverage against any health care provider who is acting within the scope of that provider's license or certification under applicable State law. In this context, discrimination means treating a provider differently based solely on the type of the provider's license or certification. Kaiser is not required to contract with any health care provider willing to abide by the terms and conditions for participation established by Kaiser. The HMO is permitted to establish varying reimbursement rates based on quality or performance measures.

# **INDEMNITY MEDICAL PLAN FOR RETIREES WITH MEDICARE**

Pages 24-31 and Pages 67-76

**Please note: The benefits in this chapter apply to Retirees or Dependents who are eligible for Medicare under the Indemnity Plan only. If you and your eligible Dependents are covered under the Kaiser HMO plan, please contact Kaiser (at the telephone number listed on the Quick Reference Chart) for a copy of your Evidence of Coverage (EOC) that outlines your medical benefits under the Kaiser HMO plan.**

As noted under “Enrollment and Eligibility” beginning on page 8, it is very important that you enroll for Parts A and B of the federal Medicare program during the 3 month period before the month in which you will become eligible for Medicare. (This applies to both Retirees and Spouses.) Once you are eligible for Medicare, the Fund will pay the benefits described below as if you had enrolled for both Part A and Part B of Medicare, regardless of whether you are actually enrolled. **This means that the Plan will only pay 20% of Medicare’s rates for the services and you must pay the rest of the charge.** You should be aware that you may have substantial out-of-pocket expenses if you are not enrolled in both Parts A and B of Medicare.

### **Calendar Year Deductible**

The Fund will pay the benefits described in this Section after you have met the deductible of \$128 each calendar year. The Deductible applies to each covered person.

### **Inpatient Hospital Benefits**

If you are eligible for Medicare and confined in a Hospital, the Plan will pay the Medicare Part A Hospital deductible for the first 60 days of each Medicare benefit period for covered Hospital services. Medicare Part A Coinsurance days are not covered by this Plan.

### **Supplemental Benefits for Outpatient Hospital or Facility Services**

If you receive outpatient medical or surgical treatment in a Hospital or Facility, and if those services are covered by Part B of Medicare, the Plan will pay the remainder of the Medicare allowable charge after Medicare’s payment.

### **Supplemental Medical Benefits, including Mental Health and Substance Abuse Treatment (For other than outpatient Hospital or Facility services)**

If you or your Dependent receives medical treatment, medical services or supplies or home health services of the type for which benefits are provided by Part B of Medicare, the Fund will pay either:

- 20% of Medicare’s allowable charges, if the provider accepts the Medicare assignment of benefits,
- 20% of the covered Medicare maximum allowable charge incurred, if the provider does not accept the Medicare assignment of benefits, or
- 20% of the Contract Provider negotiated rate, if less than the Medicare allowable charge (California Contract Providers only).

### **Important Note About Doctors Who Enter Into Private Contracts:**

A doctor may opt-out of Medicare reimbursement for Medicare-covered services and enter into a private contract with a Patient. Patients privately pay the doctor out of their own funds— at whatever rate the doctor chooses — even if Medicare would usually cover it. The doctor cannot bill Medicare for the services.

If you go to a doctor that has opted-out of Medicare, the doctor must tell you in advance that you must agree to a “private contract.” The “private contract” between you and the doctor must state clearly that:

- You are giving up the right to get Medicare to pay for the services,
- You agree that the physician will not bill Medicare, and
- Medicare will not pay for the services nor is it likely that other insurance will pay.
- You have the right to receive services from physicians and practitioners whose services are covered under Medicare and whose bills Medicare would pay.



If you enter into a private contract with a health care provider who is not participating in Medicare and who is therefore prohibited from billing Medicare for services provided to Medicare beneficiaries, **the Plan will pay 20% of the amount Medicare would have allowed if the provider were a Medicare participating provider.** You should be aware that you may have substantial out-of-pocket expenses if you enter into a “private contract.”

Please refer to the Indemnity Medical Plan Exclusions beginning on page 65.

## Hearing Aid Coverage

The Plan pays 100% up to a maximum payment of \$800 per ear (in any 3-year period) for the examination, hearing aid and all repairs or servicing. No benefits will be provided for:

- A hearing examination without a hearing aid being obtained;
- The replacement of a hearing aid for any reason more often than once during any 3-year period;
- Batteries or any other ancillary equipment other than that obtained upon the purchase of the hearing aid; or
- Expenses incurred for which the individual is not required to pay.

## Submitting Claims

**You must always send your bills to Medicare FIRST for payment before submitting to the Fund.**

**After** you or your Doctor has received payment from Medicare, attach your Medicare Explanation of Benefits (EOB) and send the EOB and your itemized bills to the Anthem Blue Cross. Although claims will be processed by the Trust Fund office, they should be mailed to Anthem Blue Cross who will electronically forward them to the Trust Fund.

### ***Claims Address – Indemnity Medical Plan for Medicare Supplement Benefits***

Anthem Blue Cross  
P.O. Box 60007  
Los Angeles, CA 90060-0007

BlueCard providers outside of California should send claims to the local Blue Cross plan.

## Vision Benefits

### ***Copayments/Schedule of Benefits***

You pay the Copayment regardless of whether you use a VSP Member Doctor or a non-VSP provider. The \$10 exam Copayment is due only once each year, for the first service you receive each year (unless you qualify for the low vision benefit, which has additional Copayments).

Vision Benefits	VSP Member Doctor	Non-VSP Provider
Copayments Exam Materials (Prescription Glasses)	\$10 \$25	\$10 \$25
Vision Examination – Limited to once every 12 months	Plan pays 100%, up to network provider contract rates	Plan pays up to \$40
Lenses – Limited to once every 12 months Single Vision Lined Bifocal Lined Trifocal Lenticular Tints	Plan pays 100%, up to network provider contract rates	Plan pays up to: \$40 \$60 \$80 \$100 \$ 5
Frames – Limited to once every 24 months	The Plan pays 100%, up to \$150 retail allowance	Plan pays up to \$45
Necessary Contact Lenses – Limited to once every 12 months (in lieu of lenses and frames)	Covered in Full, up to network provider contract rates	Plan pays up to \$210

Vision Benefits	VSP Member Doctor	Non-VSP Provider
Elective Contact Lenses – Limited to once every 12 months (in lieu of lenses and frames)	Plan pays up to \$105 for contact lenses and fitting and evaluation exam	Plan pays up to \$105 for exam and lenses
Costco frame allowance	\$120	

## Covered Vision Services

- **Vision Examination** – including analysis of visual functions and prescription of corrective eyewear when indicated, once every 12 months.
- **Lenses** – once every 12 months for regular every day wear lenses and once every 12 months for safety glasses.
- **Frames** – once every 24 months for regular every day wear frames and once every 12 months for safety glasses. VSP offers a selection of frames within Plan limits. If you choose more expensive frames (exceeding the Plan limit), you will be responsible for the additional amount over the Plan's maximum.
- **Visually Necessary Contact Lenses** – once every 12 months. Visually necessary contacts obtained from a VSP Member Doctor are covered in full. When they are obtained from a non-VSP provider, an allowance will be paid toward the cost. Contact lenses are visually necessary if they are needed to restore or maintain visual acuity and a less expensive professionally acceptable alternative is not available. (Visually necessary contact lenses are subject to the exam and materials Copayments.)
- **Elective Contact Lenses** – once every 12 months. If you choose contact lenses for any purposes other than the visually necessary circumstances described above, they are considered elective contact lenses. When you choose contact lenses instead of glasses, your \$105 allowance applies to the cost of the contacts and the contact lens exam and fitting evaluation. This is in addition to your regular vision exam, which is covered in full (if from a VSP Member Doctor). When contact lenses are obtained, you will not be eligible for regular spectacle lenses again for 12 months and frames for 24 months. (Note: The exam and materials Copayments do not apply to elective contact lenses.)

Contact lenses are provided in lieu of all other benefits for lenses and frames and only when a prescription change is warranted.

## Discounts From VSP Member Doctors

When you use a VSP Member Doctor, you will be entitled to discounts on charges for some non-covered items and contact lenses. These discounts include:

- 20% off for additional prescription glasses and sunglasses when a complete pair of glasses is dispensed – available from the same VSP Member Doctor who provided your eye exam within the last 12 months.
- 20%-25% savings on the most popular lens options, such as scratch resistant and anti-reflective coatings and progressives.
- 15% discount off cost of contact lens exam (fitting and evaluation).

## Exclusions and Limitations

When you select any of the following extra items, the Plan will pay the basic cost of the allowed lenses or frame, and you must pay any additional cost for the options.

- Optional cosmetic processes
- Anti-reflective coating
- Color coating, mirror coating or scratch coating
- Blended lenses
- Cosmetic lenses, laminated lenses, or oversize lenses
- Polycarbonate lenses (covered for Dependent children)
- Progressive multifocal lenses
- UV (ultraviolet) protected lenses
- Certain limitations on low vision care
- A frame that costs more than the Plan allowance

## Services Not Covered

There are no benefits payable for professional services or materials connected with:

- Orthoptics or vision training and any supplemental testing; plano lenses (less than a +.50 diopter power); or 2 pair of glasses in lieu of bifocals.
- Replacement of lenses and frames furnished under this plan that are lost or broken; except at the normal intervals when services are otherwise available.
- Medical or surgical treatment of the eyes.
- Services that can be obtained without cost from any federal, state, county or local organization or agency.
- Corrective vision treatment of an Experimental nature.
- Costs for services and/or materials above Plan benefit allowances.

## Low Vision Benefit

The Low Vision Benefit is available if you have severe visual problems that cannot be corrected with regular lenses. If you qualify for this benefit, you may receive professional services as well as ophthalmic materials, including supplemental testing, evaluations, visual training, low vision prescription services and optical and non-optical aids, subject to the maximums outlined in the following chart.

Low Vision Benefits	VSP Member Doctor	Non-Member Doctor
Supplemental testing	Covered in full	Plan pays up to \$125
Supplemental Aids	75% of the approved cost	75% of the approved cost
Maximum Benefit	\$500 per person, every two (2) years	

## How to File a Claim

If you use a non-VSP provider, call VSP at (800) 877-7195 to have an Out-of-Network Reimbursement Form mailed or faxed to you. (You can also fill out the form online at [www.vsp.com](http://www.vsp.com) and print it.) Mail the completed form with your itemized receipt to VSP at:

Vision Service Plan  
Attn: Out-of-Network Provider Claims  
P.O. Box 997105  
Sacramento, CA 95899-7105

When you use a VSP Member Doctor, you do not need to file a claim for reimbursement.

## Appeals for Denied Vision Care Benefits

If your claim is denied, in whole or in part, you will receive written notification from VSP including the reasons for denial. If you do not agree with the denial you may then submit a written request to VSP for reconsideration within 180 days from the date you received the denial. Any request for reconsideration should include documents or records in support of your appeal. VSP will provide a written response to the appeal within 30 days after it is received.

Any request to VSP should be sent to the following address:

Vision Service Plan  
Member Appeals  
3333 Quality Drive  
Rancho Cordova, CA 95670  
(800) 877-7195

See the brochure from  
VSP and "Claims and  
Appeals Procedures" in  
this booklet.

Vision plan benefits are treated as standalone (or excepted) benefits under the Health Insurance Portability and Accountability Act (HIPAA) and the Patient Protection and Affordable Care Act of 2010 (PPACA). Even though the Fund is not required to do so under PPACA, the Fund offers Vision Plan benefits for covered Dependents up to age 26.

\*\*\*\*\*

## Prescription Drug Benefits

*The prescription drug benefits described in this chapter are only for Retirees and Dependents who are covered under the Indemnity Medical Plan and are eligible for Medicare. These benefits do not apply to Kaiser members or participants who are covered under the Indemnity Medical Plan and not eligible for Medicare.*

### Benefit Overview

Following is a summary of what you will pay for covered prescription drugs across the different stages of your Medicare Part D benefit. You can fill your covered prescriptions at a network retail pharmacy or through the home delivery service.

DRUG BENEFIT	YOU PAY.....			
<b>Deductible Stage</b>	You pay a \$360 yearly deductible			
<b>Initial Coverage Stage</b>	<b>Tier</b>	<b>Retail One-Month (31 day) Supply</b>	<b>Retail Three-Month (90-day) Supply</b>	<b>Home Delivery Three-Month (90-day) Supply</b>
	<b>Tier 1: Generic Drugs</b>	\$10 copay	\$30 copay	\$20 copay
	<b>Tier 2: Preferred Brand Drugs</b>	\$40 copay	\$120 copay	\$80 copay
	<b>Tier 3: Non-Preferred Drugs</b>	\$60 copay	\$180 copay	\$120 copay
	<b>Tier 4: Specialty Tier Drugs</b>	25% coinsurance	25% coinsurance	25% coinsurance
<ul style="list-style-type: none"> <li>If your doctor prescribes less than a full month's supply of certain drugs, you will pay a daily cost-sharing rate based on the actual number of days of the drug that you receive.</li> <li>You may receive up to a 90-day supply of certain maintenance drugs (taken on a long-term basis) by mail through the Express Scripts Pharmacy. There is no charge for standard shipping.</li> <li>Not all drugs are available at a 90-day supply, and not all retail pharmacies offer a 90-day supply. Please contact Express Scripts Medicare Customer Service for more information.</li> </ul>				

Continued...

DRUG BENEFIT	YOU PAY.....
<b>Coverage Gap Stage</b>	<p>After your total yearly drug costs reach \$3,700, you will pay the following costs until your yearly out-of-pocket drug costs reach \$4,850</p> <ul style="list-style-type: none"> <li>• Brand Drugs: You will pay 35% of the cost of covered Medicare Part D brand drugs, plus a portion of the dispensing fee (in 2017, you pay 40% of the total cost for brand drugs).</li> <li>• Generic Drugs: You will pay 44% of the plan's costs for all covered generic drugs (in 2017, you pay 51% of the total cost for generic drugs).</li> </ul>
<b>Catastrophic Coverage Stage</b>	<p>After your yearly out-of-pocket drug costs (what you and others pay on your behalf, including manufacturer discounts but excluding payments made by your Medicare prescription drug plan) reach \$4,850, you will pay <b>the greater of 5% coinsurance or:</b></p> <ul style="list-style-type: none"> <li>• a \$2.95 copayment for covered generic drugs (including brand drugs treated as generics), with a maximum not to exceed the standard cost-sharing amount during the Initial Coverage stage</li> <li>• a \$7.40 copayment for all other covered drugs, with a maximum not to exceed the standard cost-sharing amount during the Initial Coverage stage.</li> </ul>

## Long-Term Care (LTC) Pharmacy

If you reside in an LTC facility, you pay the same as at a network retail pharmacy. LTC pharmacies must dispense brand-name drugs in amounts of 14 days or less at a time. They may also dispense less than a one month's supply of generic drugs at a time. Contact your plan if you have questions about cost-sharing or billing when less than a one-month supply is dispensed.

## Out-of-Network Coverage

You must use Express Scripts Medicare network pharmacies to fill your prescriptions. Covered Medicare Part D drugs are available at out-of-network pharmacies only in special circumstances, such as illness while traveling outside of the plan's service area where there is no network pharmacy. You generally have to pay the full cost for drugs received at an out-of-network pharmacy at the time you fill your prescription. You can ask us to reimburse you for our share of the cost. Please contact Express Scripts Medicare Customer Service at the number listed in the Quick Reference Chart at the beginning of this document.

## Important Plan Information

- The service area for this plan is all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, the Northern Mariana Islands and American Samoa. You must live in one of these areas to participate in this plan.
- You are eligible for this plan if you are entitled to Medicare Part A and/or are enrolled in Medicare Part B, are a U.S. citizen or are lawfully present in the United States, and are eligible for benefits from Carpenters Health and Welfare Trust Fund for California.
- The amount you pay may differ depending on what type of pharmacy you use; for example, retail, home infusion, LTC or home delivery.
- To find a network pharmacy near you, visit our website at **www.Express-Scripts.com**.
- Your plan uses a formulary – a list of covered drugs. The amount you pay depends on the drug's tier and on the coverage stage that you've reached. From time to time, a drug may move to a different tier. If a drug you are taking is going to move to a higher (or more expensive) tier, or if the change limits your ability to fill a prescription, Express Scripts will notify you before the change is made.
- To access your plan's list of covered drugs, visit our website at **www.Express-Scripts.com**.
- Your plan provides benefits for Medicare Part D covered drugs only. This restricts what drugs are covered. For example, drugs used to treat erectile dysfunction (ED) are not covered.

- The plan may require you to first try one drug to treat your condition before it will cover another drug for that condition.
- Your healthcare provider must get prior authorization from Express Scripts Medicare for certain drugs.
- If the actual cost of a drug is less than the normal cost-sharing amount for that drug, you will pay the actual cost, not the higher cost-sharing amount.
- If you request a formulary exception for a drug and Express Scripts Medicare approves the exception, you will pay the Non-Preferred Drug cost-share for that drug.
- You must continue to pay your Medicare Part B premium, if not otherwise paid for under Medicaid or by another third party.

For a complete explanation of your plan benefits, contact Express Scripts Medicare Customer Service at (800) 311-2757 or check your *Evidence of Coverage*, when you receive it. If you have not yet received an *Evidence of Coverage*, please contact Express Scripts Medicare Customer Service at (800) 311-2757 to request one.

### **Does my plan cover Medicare Part B or Non-Part D drugs?**

Express Scripts Medicare does not cover drugs that are covered under Medicare Part B as prescribed and dispensed, or any other non-Part D drugs. Generally, we only cover drugs, vaccines, biological products and medical supplies associated with the delivery of insulin that are covered under the Medicare prescription drug benefit (Part D) and that are on our formulary. The medical portion of your coverage may provide benefits for drugs covered under Medicare Part B.

The formulary and/or pharmacy network may change at any time. You will receive notice when necessary.

#### **Read the *Medicare & You* handbook.**

The *Medicare & You* handbook has a summary of Original Medicare benefits, rights and protections, and answers to the most frequently asked questions about Medicare. You can get a copy at the Medicare website (<http://www.medicare.gov>) or by calling 1.800.MEDICARE (1.800.633.4227), 24 hours a day, 7 days a week. TTY users should call 1.877.486.2048

# **INDEMNITY MEDICAL PLAN FOR RETIREES WITHOUT MEDICARE**

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**Please note: The benefits in this chapter do not apply to Retirees or Dependents who are eligible for Medicare or who are enrolled in the Kaiser HMO plan. If you and your eligible Dependents are covered under the Kaiser HMO plan, please contact Kaiser (at the telephone number on the Quick Reference Chart) for a copy of your Evidence of Coverage (EOC) that outlines your medical benefits under the Kaiser HMO plan.**

Plan Participants may obtain health care services from Contract or Non-Contract providers. But the amount that you pay for such services may vary.

The Indemnity Medical Plan provides benefits to help cover the cost for a wide range of Medically Necessary services and supplies, including Hospital and Physician charges, diagnostic testing and surgery, as well as some preventive health care benefits specifically listed as covered by the Plan.

Benefits will be paid only for expenses you and your eligible Dependents incur while you are eligible under the Plan (except for the Extended Benefits for Disability provision) and COBRA Continuation Coverage for Dependents.

## **How the Plan Works**

Each year, you must pay a certain amount in Covered Expenses before the Plan starts paying benefits. This is called your Deductible. Once you have met the Deductible, the Plan pays a percentage of the Covered Expenses. The percentage is higher if you use Contract Providers. You pay the remaining percentage (called your coinsurance) plus any expenses that are not covered.

Once your out-of-pocket expenses for Covered Expenses reach a certain level for the year, the amount paid by the Plan increases to 100% of Covered Expenses for the rest of the year (if you use Contract Providers and with certain exceptions). These Plan features and others are discussed in more detail in this Summary Plan Description.

## **Preferred Provider Organization (PPO)**

The Plan's Preferred Provider Organization (PPO) is a network of Contract Hospitals, Physicians, laboratories and other providers who are located within a service area and who have agreed to provide health care services and supplies for favorable negotiated discount fees applicable only to PPO Plan participants. If you receive Medically Necessary services or supplies from a Contracted Provider, you will pay a smaller Deductible and lower Coinsurance than if you received those Medically Necessary services or supplies from a provider who is not a Contract Provider. Also, the Contract Provider has agreed to accept the Plan's payment plus any applicable Coinsurance that you are responsible for paying as payment in full.

## **Directories of Contract Providers**

A directory of Contract health care providers is available on the internet at [www.anthem.com](http://www.anthem.com).

### **IMPORTANT NOTE**

**Because providers are added to and dropped from the PPO network periodically throughout the year it is best if you ask your provider if they are still a Contracted provider or contact the PPO network before you seek services when possible.**

**For a list of Contract providers:**

- **Inside California: Anthem (800) 810-2583 or [www.anthem.com](http://www.anthem.com)**
- **Outside California: Blue Card (800) 810-2583 or [www.bcbs.com](http://www.bcbs.com)**



## Contract and Non-Contract Providers

### ***Contract Providers***

If you receive medical services or supplies from a provider that is contracted with the Plan's medical network, you will be responsible for paying less money out of your pocket. Providers who are under a contract with the network have agreed to accept the discounted amount the Plan pays for covered services. You will be required to pay the applicable deductibles and coinsurance remaining after Plan benefits are paid up to the discounted amount.

### ***Value Based Facilities***

In-patient hospital Plan benefits will be limited to \$30,000 for single hip joint replacement or single knee joint replacement surgery. The maximum applies to all hospital facility costs but does not include professional fees such as anesthesia or surgical fees. There are specific PPO hospitals throughout California where these surgeries can be performed which will minimize your out-of-pocket costs beyond the Plan's deductible and coinsurance. If you require hip or knee replacement surgery, visit the Trust Fund Office website at [www.carpenterfunds.com](http://www.carpenterfunds.com) or call the Trust Fund Office at (888) 547-2054 for the list of hospitals which can provide services at a lower cost.

### ***Non-Contract Providers***

Non-Contract Providers refers to providers who are not contracted with the medical plan's PPO network and who do not generally offer any fee discount to the Participant or to the Plan. These Non-Contract providers **may bill a Plan Participant a non-discounted amount** for any balance that may be due in excess of the Plan's Allowed Charge.

Limited benefits will be paid for services obtained by a Non-Contract provider who did not complete enrollment in the Medicare program or who did not submit an affidavit to Medicare expressing their decision to opt-out of the Medicare program.

## Added Plan Features To Receive the Best Benefits Possible

### ***Benefit Advisor Program***

Before seeking medical services outside of your doctor's office, you are invited to call the Carpenters' Advisor Program anytime, day or night by calling (844) 437-0488. Your Advisor will help you with such things as:

- Finding a Network provider;
- Knowing where to go for scans and surgery;
- Steering away from areas they may require personal payments; and
- Comparing quality and costs at facilities in your neighborhood.

Occasionally one of the Benefit Advisors will call you to offer assistance. We encourage you to talk with the Advisor. Let them help reduce the amount you personally pay for medical services, and help you have better health outcomes.

### ***LiveHealth Online***

When you use this service, you can talk to a doctor any time of day, on your computer or mobile device using two-way video chat, without an appointment. The Fund will reimburse any charge for this service at 100%. You can access LiveHealth Online either by going to [www.livehealthonline.com](http://www.livehealthonline.com) from a computer with a webcam and internet access or by downloading the LiveHealth Online mobile app to your IOS or Android smartphone or tablet.

### ***Health Dynamics***

Health Dynamics is a comprehensive annual exam available at no cost to you as a Retiree or your Spouse for the purpose of providing information you can share with your medical practitioner or Trestle Tree Health Coach. The program includes one or more of the following features:

- Comprehensive health history questionnaire

- Physician directed physical exam
- Blood chemistry analysis
- Urine analysis
- Blood pressure measurement
- Electrocardiogram
- Cardiovascular fitness exam – bike or treadmill
- Pap smear and mammogram
- Prostate cancer screening
- Colorectal cancer screening
- Strength and flexibility assessment
- Height, weight and body fat measurement
- Pulmonary function testing
- Diet analysis
- Stress inventory and
- A follow-up one-hour wellness coaching/ consultation session.

### ***Health Coaching***

Trestle Tree is a health coaching company that provides prevention and chronic disease management programs at no cost to Retirees who wish to pursue strategies for:

- Tobacco Cessation Obesity and Weight Management
- Exercise and/ or Nutritional Needs
- Stress Management
- Disease Management

The program is voluntary but encouraged as it helps you better understand and maintain control of your health. Coaches take a ‘whole person’ philosophy which addresses your unique health circumstances as a blend of conditions and disease states, rather than focusing only on one aspect of your health. Your Trestle Tree Coach will provide regular, scheduled, ongoing encounters for you to develop a personal plan with tools and education to aid in achieving lasting change.

### **To Avoid a Reduction in Benefits**

- Use the Plan's Contract Hospitals when you or your eligible Dependents require hospitalization.
- Get Utilization Review for inpatient Hospital stays. If you use a Contract Hospital, the Hospital will take care of the Utilization Review for you. If you use a Non-Contract Hospital, it is your responsibility to make sure Anthem Blue Cross has pre-approved the hospital confinement or your benefits may not be payable.
- Use Contract Physicians, Hospitals, laboratory and radiology facilities and other Contract Providers such as surgical centers and urgent care facilities. By using Contract Providers, you will receive the maximum benefits payable and save yourself and the Plan money.

### **Maximum Allowable Charges Apply for Certain Surgical Procedures**

Charges for surgical procedures can vary greatly among hospitals and facilities; yet, there is little evidence of a higher quality of care at a higher cost facility. The Fund will limit the maximum allowable charge for the following six surgical procedures:

1. Routine total hip replacements;

2. Routine total knee replacements;
3. Arthroscopic surgeries at an outpatient Hospital;
4. Cataract surgeries at an outpatient Hospital;
5. Colonoscopies at an outpatient Hospital; and
6. Endoscopies at an outpatient Hospital

The maximum payment is the highest amount your plan will pay for these procedures. Any amount over the maximum will be your responsibility to pay.

Procedure	* Maximum Payment to the Hospital
<b>At an inpatient Hospital</b>	
Routine Total Hip Replacement Surgery	\$30,000
Routine Total Knee Replacement Surgery	\$30,000
<b>At an Outpatient Hospital (instead of an ambulatory surgical center)</b>	
Arthroscopy	\$6,000
Cataract Surgery	\$2,000
Colonoscopy	\$1,500
Endoscopy	\$1,000

\*Please note: Amounts denied as over the maximum for a procedure will not accumulate toward your Coinsurance Maximum.

## Exceptions to Non-Contract Provider Deductible and Benefit Payment

The following chart explains the Plan's special reimbursement for services when certain Non-Contract providers are used. The Plan Trustees or its designee determines if and when the following special reimbursement circumstances apply to a claim after the normal claim adjudication processes have been followed/investigated. Allowed charge is defined in the Definitions chapter of this document.

SPECIAL REIMBURSEMENT PROVISIONS	WHAT THE PLAN PAYS (toward eligible claims submitted by a Non-Contract provider)
<ul style="list-style-type: none"> <li>If a Non-Contract anesthesiologist or emergency room Physician provides services at a Contract Hospital or Facility.</li> <li>Non-Contract Provider licensed ambulance service to the nearest hospital.</li> <li>Emergency care in a Non-Contract Hospital when the patient had no choice in the Hospital used due to the Emergency or was admitted to the Hospital directly from the emergency room until medically stabilized for transfer to a PPO facility.</li> <li>If the service provided is Medically Necessary and not available from a Contract Provider.</li> </ul>	<p>As if the care was provided by a Contract Provider including deductible, coinsurance and Coinsurance Maximum. The allowance for bills will be reimbursed according to the Allowed Charge for Non-Contract providers.</p>

## Covered Services

The Plan will pay benefits for the preventive services specifically listed as covered by the Plan and for Medically Necessary services, supplies, care and treatment that are prescribed, performed or ordered by a Physician for treatment of an Illness or Injury. In addition to information noted in "Indemnity Medical Plan Exclusions," the Plan will not pay benefits for any expenses related to an occupational Injury or Illness. A list of covered services can be found on the chart labeled Schedule of Indemnity Medical Plan Benefits.

## Deductibles

Generally, **the Plan will not reimburse you for all services**. Usually, you will have to satisfy a Deductible and pay some Coinsurance toward the amounts you incur that are Allowed Charges. However, once you have incurred your maximum Coinsurance Limits each calendar year, no further Coinsurance will be applied for that calendar year for Contract provider services.

The annual Deductible is the amount you must pay toward eligible expenses each calendar year before the Plan begins to pay benefits. Each calendar year, you (and **not** the Plan) are responsible for paying all of your Covered Expenses until you satisfy the annual Deductible. Once the deductible has been satisfied the Plan will begin to pay benefits towards Covered Expenses. There are two types of annual Deductibles: Individual and Family.

- The **Individual Deductible** is the amount one covered person has to pay each year towards Covered Expenses before Plan benefits begin. Deductible amount per calendar year for:
  - **Contract Providers** - \$128 per person, not to exceed \$256 per family
  - **Non-Contract Providers** - \$257 per person, not to exceed \$514 per family
- The **Family Deductible** is the amount that a family of two or more persons is responsible for paying each year towards Covered Expenses before Plan benefits begin. Only expenses that have actually have been applied to family member's per person deductible will count towards the family deductible.

The Deductible does not apply to prescription drug benefits and certain other expenses as outlined in the Schedule of Medical benefits.

On-line in-network Contract physician visits are payable in full with no deductible up to \$49 per visit. See the Schedule of Indemnity Medical Plan Benefits chart for more detail.

## Coinsurance

Coinsurance refers to how you and the Plan will split the cost of certain covered medical expenses. Once you've met your annual Deductible, the Plan generally pays a percentage of the Covered Expenses, and you (and **not** the Plan) are responsible for paying the rest. The part you pay is called the coinsurance.

In general, Contract Providers are paid at 90% of the negotiated contract rate and non-Contract Providers are paid at 70% of the Plan's Allowed Charges.

The Plan's coverage of adult children over the age of 18 does not create any parental responsibility to providers for Coinsurance, Deductibles or otherwise unpaid services provided to an adult child.

### ***Coinsurance Maximum***

Each Calendar Year, after an individual or family has incurred a Coinsurance Maximum for Contract Provider expenses over \$1,289 per individual or \$2,578 per family, no further coinsurance will apply to Covered Expenses by Contract Providers. As a result, the Plan will pay 100% of Covered Expenses during the remainder of the Calendar Year **except for** the expenses that do not accumulate to your coinsurance maximum as listed below. For expenses incurred by Non-Contract Providers, you will have no Coinsurance Maximum.

### ***Expenses That Do Not Accumulate to Your Coinsurance Maximum***

This Plan rarely pays benefits equal to **all** the medical expenses you may incur. You are often responsible for paying for certain expenses for medical services and supplies yourself. Under the Plan, each year, you will be responsible for paying the following expenses out of your own pocket **and** these expenses do not accumulate to meet your Coinsurance Maximum:

- Premiums.
- Balance-billed charges.
- Any plan Deductible.
- All expenses for medical services or supplies that are not covered by the Plan.

- All charges in excess of the Allowed Charge determined by the Plan.
- All charges in excess of the Plan's Maximum Benefits, or in excess of any other limitation of the Plan.
- Any additional other amounts you have to pay because you failed to comply with the Utilization Review requirements of the Plan.
- Prescription drugs (including any copay and/or coinsurance amounts).
- Expenses incurred by Non-Contract Providers.
- Amounts from a Non-Contract Provider that exceed the rate filed with Medicare.

### **Women's Health and Cancer Rights Act of 1998**

Under this Federal law, all plans that cover mastectomies are also required to cover related reconstructive surgery. For any eligible individual receiving benefits for a mastectomy, coverage will be provided in a manner determined in consultation with the attending physician and the patient for both reconstruction of the breast on which the mastectomy was performed and surgery and reconstruction of the other breast to produce a symmetrical appearance. Coverage is also available for breast prostheses and for treatment of physical complications of mastectomy, including lymphedemas.

### **Newborns' and Mothers Health Protection Act of 1996**

Under this federal law, group health plans and health insurance issuers offering group health coverage generally may not restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a normal delivery or less than 96 hours following a cesarean section. However, the plan or issuer may pay for a shorter stay if the attending Physician, after consultation with the mother, discharges the mother or newborn earlier.

Also under federal law, plans and issuers may not set the level of benefits or out-of-pocket costs so that any portion of the 48 hour (or 96 hour) stay is treated in a manner less favorable to the mother or newborn than any earlier portion of the stay. Plans and issuers may not, under federal law, require that a health care provider obtain authorization for prescribing a length of stay of up to 48 hours (or 96 hours).

# SCHEDULE OF INDEMNITY MEDICAL PLAN BENEFITS FOR RETIREES WITHOUT MEDICARE

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**Please note: The benefits in the following Schedule of Benefits do not apply to Medicare eligible Retirees or Kaiser HMO plan Participants. If you and your eligible Dependents are covered under the Kaiser HMO plan, please contact Kaiser (at the telephone number on the Quick Reference Chart) for a copy of your Evidence of Coverage (EOC) that outlines your medical benefits under the Kaiser HMO plan.**

A schedule of the medical benefits for the Indemnity Medical Plan appears on the following pages in a chart format. Each of the Plan's medical benefits is described in the first column. Explanations and limitations that apply to each of the benefits are shown in the second column. Specific differences in the benefits when they are provided by Contract Providers and Non-Contract Providers are shown in the subsequent columns.

Deductibles, Coinsurance Maximum, Hospital Services (Inpatient) and Physician and Health Care Practitioner Services are listed first because these categories of benefits apply to most (but not all) health care services covered by the Plan. Unless there is a specific statement in the Schedule of Medical Benefits, all benefits shown are subject to the Plan's Deductibles.

## Advisor / Concierge Program

The Plan offers an Advisor service to help you navigate through such things as locating a Contract Provider, assisting you with finding the most efficient imaging, scanning and surgical facilities. They will help you compare quality and costs of many hospitals in your neighborhood, as well as, steer you away from providers that may require personal payments or contracts. For Advisor assistance, call (844) 437-0488.

### Here are a few tips to make experiences both successful and affordable using the Indemnity Medical Plan

- No matter what kind of treatment you are seeking, always confirm whether providers are PPO contract providers to receive the best benefit possible under the Plan. You can locate a contract provider or determine if your current provider is a contract provider by visiting Anthem's website, [www.anthem.com](http://www.anthem.com). Click on "Find a Doctor" and select the type of provider and location you are seeking a doctor or; type in your current provider's name to verify their participation in the network. You can also contact the Trust Fund Office for assistance. Email the Trust Fund Office at [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com) or call (888) 547-2054.
- Use the Advisor service to help avoid paying unnecessary personal medical bills and reduce your personal costs. For Advisor assistance, call (844) 437-0488.
- Register at [www.anthem.com](http://www.anthem.com) with a username and password. When you login, you can use the Anthem Care Comparison tool to research the cost and quality of procedures performed by facilities near you. For example, a colonoscopy can cost anywhere from \$450 to \$3,000 or, one provider may have more experience performing that procedure than another provider.
- While you are logged in to [www.anthem.com](http://www.anthem.com), you can look for special offers that may help your recovery or overall wellness such as weight loss programs, hearing aids or gym memberships.
- If your doctor ever recommends care for you that requires the services of several different providers, or if your doctor recommends you receive services from another provider or facility altogether, be sure to ask whether the new provider is in the PPO network.

## LiveHealth Online

When you use this service, you can talk to a doctor any time of day, on your computer or mobile device using two-way video chat, without an appointment. The Fund will reimburse any charge for this service at 100%. You can access LiveHealth Online either by going to the website: [www.livehealthonline.com](http://www.livehealthonline.com) from a computer with a webcam and internet access or by downloading the LiveHealth Online mobile app to your iOS or Android smartphone or tablet.

## Nurse Line

The Plan offers a nurse advice helpline to help you decide if your symptoms can be treated with a home remedy, if you need to make a doctor's appointment or if urgent care is needed. You can contact the nurse line by calling (800) 700-9184 any time day or night. However, if you have an emergency, call 911 for help.

## Surgery

- When you make an appointment to see a surgeon, ask if the doctor participates in the PPO network.
- If you have surgery, find out if an assistant surgeon, anesthesiologist physician or a certified registered nurse anesthetist will be involved. If an assistant surgeon will be involved, call the Trust Fund Office. The Trust Fund Office can check to see if the assistant surgeon's involvement is necessary and inform you of any additional out-of-pocket expenses you may incur if the provider's billed charges exceed the Plan's allowance.
- Some surgeries such as colonoscopy, arthroscopy, endoscopy and cataract surgery have specific dollar limits if you use an out-patient hospital instead of an ambulatory surgery center. Using a Contract ambulatory surgery center for these surgeries can greatly reduce your out-of-pocket expense.
- There are also specific Plan maximum benefits for hospital charges if you have a knee or hip replacement surgery. To reduce your out-of-pocket expense for a knee or hip replacement surgery use one of the specific Value Based hospitals for services. You can view the list of Value Based hospitals on the Trust Fund Office website: [www.carpenterfunds.com](http://www.carpenterfunds.com).

## Laboratory and Pathology Tests

- When you need laboratory or pathology tests performed, ask your doctor if you can use an independent contract laboratory for services. Services at these independent labs can cost 70%-75% less than the same services provided by hospital-based facilities and non-network laboratories.
- For help finding the nearest contract laboratory, visit [www.anthem.com](http://www.anthem.com).

## Utilization Review Program

**Please note: The Utilization Review requirements apply ONLY to Non-Medicare Retirees and Dependents who are enrolled in the Indemnity Medical Plan. These requirements do not apply to Retirees or Dependents who are eligible for Medicare or who are enrolled in the Kaiser HMO plan.**

### Purpose of the Utilization Review Program

The Plan's Utilization Review Program is designed to help control increasing health care costs by avoiding unnecessary services or services that are more costly than others that can achieve the same result. By doing this, the Fund is better able to afford to maintain the Plan and all its benefits. If you follow the procedures of the Plan's Utilization Review Program, you may avoid some out-of-pocket costs. However, if you don't follow these procedures, you may be responsible for paying more out of your own pocket.

### Management of the Utilization Review Program

The Plan's Utilization Review Program is administered by Anthem. In addition, certain outpatient drugs may require Utilization Review as managed by the Pharmacy Benefit Manager, Express Scripts.

### Elements of the Utilization Review Program

The Plan's Utilization Review Program consists of:

1. **Pre-authorization (preservice) review:** review of proposed health care services before the services are provided;
2. **Concurrent (continued stay) review:** ongoing assessment of the health care as it is being provided, typically involving inpatient confinement in a hospital or health care facility or review of the continued duration of healthcare services;
3. **Retrospective review:** review of health care services after they have been provided.



## ***Restrictions and Limitations of the Utilization Review Program***

1. The fact that your Physician recommends a surgery, hospitalization, or that your Physician proposes or provides medical services or supplies doesn't mean that the services or supplies will be an Allowed Charge or be considered Medically Necessary for determining coverage under the Medical Plan.
2. All treatment decisions rest with you and your Physician. You should follow whatever course of treatment you and your Physician (or other provider) believes to be the most appropriate, even if Anthem does not certify proposed surgery/treatment/service or admission as Medically Necessary.
3. Precertification of a service does not guarantee that the Plan will pay benefits for that service because, other factors, such as ineligibility for coverage on the actual date of service, the information submitted during precertification varies from the actual services performed on the date of service, and/or the service performed is not a covered benefit, may be a factor in non-payment of a service.

## **How Utilization Review Works**

Utilization Review is a procedure, administered by Anthem, to assure that health care services meet or exceed accepted standards of care and that the admission and length of stay in a Hospital or Health Care Facility, or a Surgery, or other health care services are Medically Necessary. **The following services must be approved:**

<b>SITUATION</b>	<b>PLAN REQUIREMENTS FOR UTILIZATION REVIEW</b>
Non-emergency admission to a Hospital (including Mental Illness or Chemical Dependency treatment)	Anthem must approve the Hospital stay before admission (except for a normal vaginal delivery less than 48 hours or a C-section less than 96 hours).  If you use a Contract Hospital, the Hospital will handle this for you. If you use a Non-Contract Hospital, you are responsible for seeing that your Physician obtains Utilization Review for you.  You are not required to obtain Utilization Review for a hospitalization when the Plan is the secondary payer of benefits.
Hospitalization as a result of a medical emergency	If you are admitted to a Non-Contract Hospital, you, your Physician or someone acting on your behalf must contact Anthem for certification within 24 hours of admission.
Admission for childbirth	You do not need Utilization Review for mother and newborn hospital stays of less than 48 hours following a normal delivery or a stay of less than 96 hours following a cesarean section.
Organ or tissue transplant	All planned services must be approved by Anthem before services begin.
Certain Outpatient diagnostic imaging services	CT/CTA, MR/MRI, Nuclear cardiology, PET scan and echocardiography before the service is provided.
<b>Receiving Utilization Review does not mean benefits are payable in all cases. Coverage depends on the services that are actually provided, your eligibility status at the time service is provided, and any benefit limitations.</b>	

Anthem will determine whether a proposed admission to the Hospital is Medically Necessary and if so, how many days will be covered. Anthem and the Physician will review the facts about a Patient's case to determine if hospitalization is necessary or if effective treatment can be given in a less intensive setting such as outpatient care. Once you are admitted, Anthem monitors the Hospital stay and if additional days are required because of complications or other medical reasons, your stay will be approved for the appropriate number of additional inpatient days. This is called Concurrent Review.

- A Contract Hospital will take care of the Utilization Review process for you (including concurrent review).
- If you are admitted to a Non-Contract Hospital, it will be your responsibility to make sure your Physician contacts Anthem for Utilization Review. For Emergency admission, Anthem must be notified within 24 hours after you are admitted. Anthem will determine the number of days of confinement that are Medically Necessary.



- If you are admitted to a Non-Contract Hospital that does not participate in a concurrent review program, your Hospital stay will be reviewed after you leave the Hospital. If Anthem finds that any portion of your stay was not Medically Necessary, no benefits will be payable for Hospital and Physician charges incurred during the portion of the Hospital stay that was determined to be not Medically Necessary.
- Benefits will be paid for an organ or tissue transplant **only** if the medical services are approved in advance and managed by Anthem.

Failure to comply with the Plan's requirements for Utilization Review and notification of an emergency admission will result in a reduction in benefits and increase your out-of-pocket costs.

### ***Emergency Hospitalization***

If an emergency requires hospitalization, there may be no time to contact Anthem before you are admitted. If this happens, Anthem must be notified of the hospital admission within 24 hours. You, your Physician, the hospital, a family member or friend can make that phone call to Anthem. This will enable Anthem to assist you with your discharge plans, determine the need for continued medical services, and/or advise your Physician or other providers of the various Contracted support providers and benefits available for you and offer recommendations, options and alternatives for your continued medical care.

### **Retrospective (Post-Service) Review**

Claims for medical services or supplies that have not been reviewed under the Plan's Utilization Review program (including Pre-authorization, Concurrent (Continued Stay) Review) may, at the option of the Trust Fund Office, be subject to retrospective review to determine if they are Medically Necessary. If the Trust Fund Office receives a determination from the Utilization Review company that services or supplies were not Medically Necessary, **no benefits will be provided by the Plan for those services or supplies.**

### **Appealing a Utilization Review Determination (Appeals Process)**

You may request an appeal of any adverse review decision made during the Utilization Review process described in this chapter. To appeal a denied claim/bill, see the Claim Filing and Appeal Information chapter of this document.

#### **TIME LIMIT FOR INITIAL FILING OF HEALTH CLAIMS**

You must submit all health care claims within 90 days of when expenses are incurred, unless it is not reasonably possible to do so. **In no event will claims be paid if they are submitted more than 1 year after the date the expenses were incurred.** The itemized bill or bills and documentation supporting your claim must be attached.

See also the Claims and Appeals Procedures chapter for more information beginning on page 67. Also review the section toward the end of that chapter on "When a Lawsuit May Be Started" on page 72.

### SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS

All benefits are subject to the deductible except where noted.

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Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<p><b><u>Deductible (See Section 3.01 of the Rules and Regulations)</u></b></p> <ul style="list-style-type: none"> <li>The annual deductible is the amount of money you must pay each calendar year before the Plan begins to pay benefits.</li> <li>Deductibles are applied to Covered Expenses in the order in which claims are processed by the Plan.</li> <li>Only Covered Expenses can be used to satisfy the Plan's Deductibles.</li> <li>The deductible applies to all covered services except where otherwise noted in this Schedule of Medical Benefits.</li> <li>The Family Deductible is the amount that a family of two or more persons is responsible for paying each year towards Covered Expenses before Plan benefits begin. Only expenses that have actually have been applied to family member's per person deductible will count towards the family deductible.</li> </ul>	<ul style="list-style-type: none"> <li>Amounts cross-accumulate between Contract and Non-Contract Providers—for example, a payment of \$50 to a Non-Contract Provider Deductible for Covered Expenses would count toward the \$128 Deductible for Contract Providers.</li> <li>Charges exceeding any Plan limits on specific benefits and any amounts you pay for failure to comply with the Plan's requirements for Utilization Review do not count toward the deductible.</li> </ul>	<p>\$128 per person</p> <p>\$256 per family</p>	<p>\$257 per person</p> <p>\$514 per family</p>

<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Coinsurance Maximum</u></b>  The Coinsurance Maximum is the most you pay during a one year period (calendar year) before your plan starts to pay 100% for Covered Expenses from Contract providers.	The following do not count toward the Coinsurance Maximum: <ul style="list-style-type: none"> <li>• Amounts you pay that are counted toward the Deductible.</li> <li>• Amounts you pay for expenses or services that are not covered by the Plan.</li> <li>• Charges in excess of benefit limits or Plan maximums (such as the amounts over the plan's chiropractic maximum of \$25/visit, the acupuncture limit, hearing aid, hospice care, and routine physical examination limits).</li> <li>• Premiums.</li> <li>• Balance-billed charges.</li> <li>• All charges in excess of the Allowed Charge determined by the Plan.</li> <li>• Any additional other amounts you have to pay because you failed to comply with the Utilization Review requirements of the Plan.</li> <li>• Prescription drugs (including any copay and/or coinsurance amounts).</li> <li>• Expenses incurred by Non-Contract Providers.</li> <li>• Amounts from a Non-Contract Provider that exceed the rate filed with Medicare.</li> </ul>	\$1,289 per person  \$2,578 per family	No Coinsurance Maximum
<b><u>Hospital Services (Inpatient)</u></b>  Room & board and ancillary facility fees <ul style="list-style-type: none"> <li>• In a Non-Contract Hospital, a room with 2 or more beds is covered (or the minimum charge for a 2-bed room in the Hospital if a higher priced room is used).</li> <li>• In a Contract Hospital, the contract rate is covered except amounts over \$30,000 for knee or hip replacement.</li> <li>• Specialty care units within the hospital (e.g., intensive care unit, cardiac care unit).</li> <li>• Lab/x-ray/diagnostic services.</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to comply with the Plan's requirements for Utilization Review and notification of an emergency admission may result in a reduction in benefits and increase your out-of-pocket costs.</li> <li>• A maximum of \$30,000 is payable for the hospital facility associated with a single hip joint or a single knee joint replacement surgery.</li> <li>• Take-home drugs dispensed by a Non-Contract facility are not covered.</li> <li>• Newborn nursery charges are not covered at a Non-Contract facility.</li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 70% of Allowed Charges  You Pay 30% plus any amount over the Plan's Allowed Charge

### SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS

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Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<p><b><u>Hospital Surgical Services (Outpatient)</u></b></p> <p>There are Plan maximums for certain surgeries performed in an outpatient hospital instead of an ambulatory service center</p>	<ul style="list-style-type: none"> <li>For the Contract and Non-Contract hospital/facility charge a maximum of \$6,000 is payable for an arthroscopy, \$2,000 for cataract surgery, \$1,500 for colonoscopy and \$1,000 for endoscopy.</li> </ul>	<p><b><u>Arthroscopy:</u></b> Plan Pays 90% of the Contract Rate up to a maximum payment of \$6,000 You Pay 10% of the Contract Rate and any amount over the Plan maximum payment of \$6,000</p> <p><b><u>Cataract Surgery</u></b> Plan Pays 90% of the Contract Rate up to a maximum payment of \$2,000 You Pay 10% of the Contract Rate and any amount over the Plan maximum payment of \$2,000</p> <p><b><u>Colonoscopy</u></b> Plan Pays 90% of the Contract Rate up to a maximum payment of \$1,500 You Pay 10% of the Contract Rate and any amount over the Plan maximum payment of \$1,500</p> <p><b><u>Endoscopy</u></b> Plan pays 90% of the Contract Rate up to a maximum payment of \$1,000 You pay 10% of the Contract Rate and any amount over the Plan maximum payment of \$1,000</p>	<p><b><u>Arthroscopy:</u></b> Plan Pays 70% of Allowed Charges up to a maximum payment of \$6,000 You Pay 30% of Allowed Charges and any amount over the Plan maximum payment of \$6,000</p> <p><b><u>Cataract Surgery</u></b> Plan Pays 70% of Allowed Charges up to a maximum payment of \$2,000 You Pay 30% of Allowed Charges and any amount over the Plan maximum payment of \$2,000</p> <p><b><u>Colonoscopy</u></b> Plan Pays 70% of Allowed Charges up to a maximum payment of \$1,500 You Pay 30% of Allowed Charges and any amount over the Plan maximum payment of \$1,500</p> <p><b><u>Endoscopy</u></b> Plan pays 70% of Allowed Charges up to a maximum payment of \$1,000 You pay 30% of Allowed Charges and any amount over the Plan maximum payment of \$1,000</p>

### SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS

All benefits are subject to the deductible except where noted.

**\*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.**

Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Emergency Room Facility</u></b> <ul style="list-style-type: none"> <li>Hospital emergency room (ER) if services are for an Emergency (as that term is defined in this Plan).</li> <li>Ancillary charges (such as lab or x-ray) performed <b>during</b> the Emergency Room visit.</li> <li>(See also the Ambulance section of this schedule.)</li> </ul>	<p>For a subsequent inpatient confinement (after treatment in an Emergency Room at a Non-Contract Hospital), the Plan may require that the Patient transfer to a Contract Hospital upon the advice of a Physician that it is medically safe to transfer the Patient and the acute Emergency period has ended. If the Patient remains in the Non-Contract Hospital after the acute Emergency period, any Allowed Charges will be payable at the Non-Contract rate for the period of confinement after the Emergency period has ended.</p>	<p>Plan Pays 90% of the Contract Rate</p> <p>You Pay 10% of the Contract Rate</p> <p>Plan Pays 100% of the Contract Rate if emergency treatment is for mental health or chemical dependency</p>	<p>Plan Pays 70% (or 90% if the Eligible Individual has no choice in the Hospital used due to an Emergency) of Allowed Charge</p> <p>You Pay 30% of Allowed Charge except when there was no choice in the Hospital used due to an Emergency, you pay 10% of the Allowed Charge</p> <p>You Pay Zero if emergency treatment is for mental health or chemical dependency</p>

### SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS

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Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<p><b><u>Physician and Other Health Care Practitioner Services</u></b></p> <ul style="list-style-type: none"> <li>Physician</li> <li>Registered physical therapist, occupational therapist services required for the treatment of a medical condition and prescribed by a Physician. Allowed Charges do not include services that are primarily educational, sports-related, or preventive, such as, physical conditioning, exercise, or back school.</li> <li>Licensed Podiatrist</li> <li>Registered nurse</li> <li>Services of a certified nurse-midwife for obstetrical care during the pre-natal, delivery and post-partum periods provided the midwife is practicing under the direction and supervision of a Physician.</li> <li>Services of a licensed nurse practitioner who is acting within the lawful scope of his/her license provided:</li> <li>The service of the nurse practitioner is in lieu of the service of a Physician, and the nurse practitioner is performing services under the supervision of a licensed Physician, if supervision is required.</li> <li>Licensed Physician assistant</li> <li>Licensed speech therapist</li> <li>Services of a licensed optometrist, but only when providing Medically Necessary medical treatment to the eye that is not covered by the vision plan.</li> </ul>	<ul style="list-style-type: none"> <li>If Medically Necessary out-patient services are provided from a Non-Contract Provider who is not registered with CMS, the Plan will limit allowed charges to \$100 per appointment.</li> </ul> <p>In-patient services from a Non-Contract Provider not registered with CMS will not be covered.</p> <ul style="list-style-type: none"> <li>If a Medically Necessary service is not available from a Contracted Provider, the Contract Provider Deductible and Percentage Payable will apply to Non-Contract Provider Allowed Charges.</li> <li>Habilitative care is not covered.</li> </ul>	<p style="text-align: center;">Plan Pays 90% of the Contract Rate</p> <p style="text-align: center;">You Pay 10% of the Contract Rate</p>	<p style="text-align: center;">Plan Pays 70% of Allowed Charge</p> <p style="text-align: center;">You Pay 30% of Allowed Charge</p>

<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Physician Visit on-line</u></b>  You can talk to a doctor any time of day, face-to-face on your computer or mobile device by two-way video chat, without an appointment.	Website for on-line doctor visit is: www.livehealthonline.com  Other on-line Contract doctor visits are covered not to exceed a Plan benefit payment of \$49 per visit.	Plan Pays 100% of the Contract Rate  You Pay 0%	Not Covered
<b><u>Health Coaching</u></b>  The Trestle Tree company provides prevention and chronic disease management programs.	Pursue strategies for: Tobacco Cessation Obesity and Weight Management Exercise and/or Nutritional Needs Stress Management Disease Management	Plan Pays 100% of the Contract Rate  You Pay 0%	Not Covered
<b><u>Acupuncture Services</u></b>	Acupuncture services are limited to 20 visits per calendar year.	Plan Pays 90% of the Contract Rate up to a maximum of \$35 per visit  You Pay 10% of the Contract Rate and any amount over the Plan maximum payment of \$35	Plan Pays 70% of the Allowed Charge up to a maximum of \$35 per visit  You Pay 30% of the Allowed Charge and any amount over the Plan maximum payment of \$35

<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Ambulance Services</u></b> <ul style="list-style-type: none"> <li>Medically Necessary service for ground transportation to or from the nearest Hospital.</li> <li>A licensed air ambulance to and from the nearest Hospital is also covered at the Allowed Charge if the Fund determines that the location and nature of the Illness or Injury made air transportation cost-effective or necessary to avoid the possibility of serious complications or loss of life.</li> <li>Services provided by an Emergency Medical Technician (EMT) without subsequent emergency transport are paid in accordance with this Ambulance Services benefit</li> </ul>	<ul style="list-style-type: none"> <li>Expenses for ambulance services are covered only when those services are for an <b>Emergency</b> as that term is defined in the Definitions chapter of this document under the heading of "Emergency Care," or for Medically Necessary inter-facility transport.</li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 90% of the Allowed Charge  You Pay 10% of the Allowed Charge
<b><u>Outpatient (Ambulatory) Surgery Facility/Center</u></b> <ul style="list-style-type: none"> <li>Ambulatory (Outpatient) Surgical Facility/Center (e.g. surgicenter, same day surgery, outpatient surgery).</li> </ul>	The following maximums payable apply if the surgery is performed in an outpatient Hospital setting instead of an Ambulatory Surgery Center: <ul style="list-style-type: none"> <li>\$6,000 for arthroscopy</li> <li>\$2,000 for cataract surgery</li> <li>\$1,500 for colonoscopy</li> <li>\$1,000 for endoscopy</li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan pays 70% of the Allowed Charge up to a maximum of \$300 for the ambulatory surgery facility  You pay 30% of the Allowed Charge and any amount over the Plan maximum payment of \$300



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Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Chemotherapy</u></b>	<ul style="list-style-type: none"> <li>Some chemotherapy Drugs are only covered by the Specialty Drug Plan and benefits are only available from the Plan's Pharmacy Benefit Manager (PBM) mail order pharmacy.</li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge
<b><u>Chiropractic Services (for Retiree and Spouse or Domestic Partner only)</u></b>	<ul style="list-style-type: none"> <li>Chiropractic services are not covered for Dependent Children.</li> <li>Limited to 20 visits per calendar year</li> </ul>	Plan Pays 90% of the Contract Rate up to a maximum of \$25 per visit  You Pay 10% of the Contract Rate and any amount over the Plan maximum payment of \$25 per visit	Plan Pays 70% of Allowed Charge up to a maximum of \$25 per visit  You Pay 30% of Allowed Charge and any amount over the Plan maximum payment of \$25 per visit
<b><u>Dental Services</u></b> Services of a Physician (M.D.) or Dentist (D.D.S.) treating an Injury to natural teeth.	<ul style="list-style-type: none"> <li>Services must be received within 6 months following the date of Injury (applied without respect to when the individual was enrolled in the Plan).</li> <li>Damage to natural teeth due to chewing or biting is not covered under this benefit.</li> <li>Dental plates, bridges, crowns, caps or other dental prostheses, services, extraction of teeth or treatment to the teeth or gums other than for tumors and accidental injury are not covered.</li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge
<b><u>Diabetes Instruction Programs</u></b>	Coverage is available for Diabetes Instruction Programs recognized by the American Diabetes Association.	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge
<b><u>Prescription Drug Benefits</u></b>		Please refer to the section beginning on page 60 for benefits for Retirees and Dependents who are not eligible for Medicare.	

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Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<p><b><u>Medical Equipment and Supplies</u></b> Benefits are payable if the equipment or supply is:</p> <ul style="list-style-type: none"> <li>• Ordered by a Physician;</li> <li>• Of no further use after the medical need ends;</li> <li>• Usable only by the patient;</li> <li>• Not primarily for the comfort or hygiene of the patient;</li> <li>• Not for environmental control;</li> <li>• Not for exercise;</li> <li>• Manufactured specifically for medical use;</li> <li>• Approved as effective and usual and customary treatment of a condition as determined by the Fund; and</li> <li>• Not for prevention purposes.</li> </ul> <p>Coverage is provided for up to a 31-day supply of Medically Necessary nondurable supplies for home/personal use:</p> <ul style="list-style-type: none"> <li>• Sterile surgical supplies used immediately after surgery.</li> <li>• Supplies needed to operate or use covered Durable Medical Equipment or Corrective Appliances.</li> <li>• Supplies needed for use by skilled home health or home infusion personnel, but only during the course of their required services.</li> <li>• Dialysis supplies.</li> <li>• Diabetic supplies.</li> <li>• Colostomy and ostomy supplies.</li> </ul>	<p>Coverage is provided for Medically Necessary nondurable supplies dispensed and used by a Physician or Health Care Practitioner in conjunction with treatment of the covered individual.</p> <ul style="list-style-type: none"> <li>• Rental charges are covered if they do not exceed the reasonable purchase price of the equipment.</li> <li>• Orthopedic shoes are covered only if they are joined to a brace.</li> <li>• Custom-made orthotics are covered.</li> <li>• Medical appliances, devices, bandages, braces, splints and other supplies or equipment are not covered, except for diabetic supplies.</li> <li>• Supplies that have use when the medical condition ends are not covered under the Nondurable Medical Supply benefit.</li> </ul>	<p style="text-align: center;">Plan Pays 90% of the Contract Rate</p> <p style="text-align: center;">You Pay 10% of the Contract Rate</p>	<p style="text-align: center;">Plan Pays 70% of Allowed Charges</p> <p style="text-align: center;">You Pay 30% of Allowed Charges</p>

<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Family Planning, Reproductive, Contraceptive, Fertility Services</u></b>  Covered Services include: <ul style="list-style-type: none"> <li>• Sterilization services (e.g., vasectomy, tubal ligation).</li> <li>• Contraception-related services including services in connection with obtaining or removing a prescription contraceptive device or implant.</li> <li>• Prescription contraceptives.</li> </ul>	If Medically Necessary out-patient services are provided from a Non-Contract Provider who is not registered with CMS, the Plan will limit allowed charges to \$100 per appointment.  In-patient services from a Non-Contract Provider not registered with CMS will not be covered.  <b>No coverage is available for</b> reversal of sterilization procedures, infertility treatment along with services to induce pregnancy.	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge
<b><u>Hearing Aid Benefit</u></b>	No benefits will be provided for: <ul style="list-style-type: none"> <li>• A hearing examination without a hearing aid being obtained;</li> <li>• The replacement of a hearing aid for any reason more often than once during any 3-year period;</li> <li>• Batteries or any other ancillary equipment other than that obtained upon the purchase of the hearing aid; or</li> <li>• Expenses incurred for which the individual is not required to pay.</li> </ul>	100% up to a maximum payment of \$800 per ear (in any 3-year period), not to exceed Covered Expenses, for the examination, hearing aid and all repairs or servicing. Not subject to Deductible or Coinsurance Maximum.	

### SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS

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Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<p><b><u>Home Health Care and Home Infusion Therapy Services</u></b></p> <p>Covered Expenses include:</p> <ul style="list-style-type: none"> <li>• Services of a registered nurse.</li> <li>• Services of a licensed therapist for physical therapy, occupational therapy and speech therapy.</li> <li>• Services of a medical social worker.</li> <li>• Services of a health aid who is employed by (or contracted with) a Home Health Agency. Services must be ordered and supervised by a registered nurse employed by the Home Health Agency as a professional coordinator.</li> <li>• Necessary medical supplies provided by the Home Health Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• The patient must be confined at home under the active medical supervision of a Physician ordering home health care and treating the Illness or Injury for which that care is needed.</li> <li>• Services must be provided and billed by the Home Health Agency.</li> <li>• Services must be consistent with the Illness, Injury, degree of disability and medical needs of the Patient.</li> <li>• Benefits are provided only for the number of days required to treat the Eligible Individual's Illness or Injury.</li> <li>• Injectable and infusion Drugs are not covered under this Home Health Care benefit. Please see the Drug section of this Schedule of Medical Benefits for other drug coverage.</li> </ul>	<p style="text-align: center;">Plan Pays 90% of the Contract Rate</p> <p style="text-align: center;">You Pay 10% of the Contract Rate</p>	<p style="text-align: center;">Plan Pays 70% of Allowed Charge</p> <p style="text-align: center;">You Pay 30% of Allowed Charge</p>

<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Hospice</u></b> <ul style="list-style-type: none"> <li>Hospice services include inpatient hospice care and outpatient home hospice when the patient has an illness for which the prognosis for life expectancy is estimated to be 6 months or less, as certified by the Physician. The Patient must be formally admitted to an Approved Hospice Program, and the attending Physician must approve the patient's written treatment program.</li> <li><b>Approved Hospice Program.</b> An Approved Hospice Program must meet State licensure requirements as a Hospice (in states with licensure requirements) and be a Medicare-certified hospice, or a Medicare demonstration hospice site, or accredited by The Joint Commission (TJC). The Hospice must notify the Fund of a Patient's admission into a Hospice program and submit a written treatment plan to the Fund.</li> </ul>	Covered Hospice care services include the following: <ul style="list-style-type: none"> <li>professional nursing visits;</li> <li>medical social services;</li> <li>home health aide services;</li> <li>nutritional supplements such as diet substitutes administered intravenously or through hyperalimentation; and</li> <li>medical supplies.</li> </ul> The Hospice benefit does not cover: <ul style="list-style-type: none"> <li>medical transportation, food, clothes or housing;</li> <li>volunteer services;</li> <li>financial or legal counselors; and</li> <li>services provided by household members or family and friends.</li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge
<b><u>Laboratory Services (Outpatient)</u></b> <ul style="list-style-type: none"> <li>Technical and professional fees.</li> </ul>	<ul style="list-style-type: none"> <li>Services must be ordered by a Physician, including laboratory tests associated with diagnosing a viral illness.</li> <li>Inpatient Laboratory Services are covered under the Hospital Services section of this Schedule of Medical Benefits.</li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge

<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Maternity Services</u></b> <ul style="list-style-type: none"> <li>Hospital and Birth (Birthing) Center charges and Physician fees for Medically Necessary maternity services for all covered females. Coverage for the baby is only payable if the child is a Dependent Child as defined in this Plan, and properly enrolled.</li> <li>Prenatal vitamins containing fluoride or folic acid are covered.</li> <li>See the Eligibility chapter on how to enroll a Newborn Dependent Child(ren).</li> </ul>	<ul style="list-style-type: none"> <li>Routine newborn nursery charges billed by a Non-Contract Hospital are NOT covered.</li> <li>Hospital Length of Stay for Childbirth: For information on Utilization Review for a length of stay longer than 48 hours for vaginal birth or 96 hours for C-section, contact Anthem to pre-authorize the extended stay.</li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate	Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge

<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Mental Health</u></b> <ul style="list-style-type: none"> <li>Inpatient hospitalization, residential treatment and partial day care.</li> <li>Outpatient visits.</li> <li>The benefits for prescription drugs for the treatment of mental health are explained in the Prescription Drugs Chapter.</li> </ul>	<p>If Medically Necessary out-patient services are provided from a Non-Contract Provider who is not registered with CMS, the Plan will limit allowed charges to \$100 per appointment.</p> <p>In-patient services from a Non-Contract Provider not registered with CMS will not be covered.</p>	<p><b>Mental Health outpatient visits</b> Plan pays 100% of the Contract Rate (does not include care in outpatient facilities)</p> <p><b>Mental Health inpatient</b> Plan pays 90% of the Contract Rate You pay 10% of the Contract Rate</p> <p><b>Emergency Room treatment</b> Plan pays 100% of the Contract Rate</p> <p><b>All other</b> Plan pays 90% of the Contract Rate  You pay 10% of the Contract Rate</p>	<p><b>Emergency Room treatment</b> Plan pays 100% of Allowed Charge</p> <p><b>All other</b> Plan pays 70% of Allowed Charge  You pay 30% of Allowed Charge</p>
<b><u>Prosthetic Devices</u></b>	<ul style="list-style-type: none"> <li>Coverage is available for artificial limbs and/or eyes.</li> </ul>	<p>Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate</p>	<p>Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge</p>

### SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS

All benefits are subject to the deductible except where noted.

**\*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.**

Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Radiology (X-Ray), Imaging Studies and Radiation Therapy Services (Outpatient)</u></b> <ul style="list-style-type: none"> <li>Common radiology services include chest x-ray, abdomen/kidney x-ray, spine x-ray, CT/MRI/PET and bone scan, ultrasound, angiography, mammogram, fluoroscopy, and bone densitometry.</li> </ul>	<ul style="list-style-type: none"> <li>Covered only when ordered by a Physician or Health Care Practitioner.</li> <li>For the following outpatient diagnostic imaging services, a Physician must obtain Utilization Review from the Review Organization: <ul style="list-style-type: none"> <li>CT/CTA</li> <li>MR/MRI</li> <li>Nuclear cardiology</li> <li>PET scan</li> <li>Echocardiography</li> </ul> </li> </ul>	<p style="text-align: center;">Plan Pays 90% of the Contract Rate</p> <p style="text-align: center;">You Pay 10% of the Contract Rate</p>	<p style="text-align: center;">Plan Pays 70% of Allowed Charge</p> <p style="text-align: center;">You Pay 30% of Allowed Charge</p>
<b><u>Skilled Nursing Facility (SNF) including Rehabilitation Services</u></b> <ul style="list-style-type: none"> <li>Skilled Nursing Facility (SNF).</li> <li>Services of a licensed therapist for physical therapy or occupational therapy.</li> <li>Services of a licensed speech therapist only for speech therapy that is provided to an Eligible Individual who had normal speech at one time and lost it due to an Illness or Injury.</li> </ul>	<ul style="list-style-type: none"> <li>Benefits will be paid for Skilled Nursing Facility and Home Health Care as an alternative to Hospital care when the care is arranged by the attending Physician.</li> <li>A maximum of 70 days of Skilled Nursing Facility care will be covered during any Period of Confinement. A new Period of Confinement will begin after 90 days have passed since the end of the last confinement in a Skilled Nursing Facility.</li> <li>Inpatient Rehabilitation admission requires Utilization Review by calling Anthem.</li> <li>Physical therapy services that are primarily educational, sports related or preventive, such as physical conditioning, exercise or back school are not covered.</li> <li>Habilitative services are not covered. This includes any physical therapy, occupational therapy, and/or speech therapy provided to individuals with developmental delays that have never acquired normal functional abilities.</li> </ul>	<p style="text-align: center;">Plan Pays 90% of the Contract Rate</p> <p style="text-align: center;">You Pay 10% of the Contract Rate</p>	<p style="text-align: center;">Plan Pays 70% of Allowed Charge</p> <p style="text-align: center;">You Pay 30% of Allowed Charge</p>



<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Substance Abuse Treatment</u></b> <ul style="list-style-type: none"> <li>Inpatient hospitalization, residential treatment and partial day care.</li> <li>Outpatient visits</li> <li>The benefits for prescription drugs for substance abuse are explained in the Prescription Drugs Chapter.</li> </ul>	<p>If Medically Necessary out-patient services are provided from a Non-Contract Provider who is not registered with CMS, the Plan will limit allowed charges to \$100 per appointment.</p> <p>In-patient services from a Non-Contract Provider not registered with CMS will not be covered.</p>	<p><b>Inpatient and Outpatient</b> Plan pays 100% of the Contract Rate</p> <p><b>Emergency Room treatment</b> Plan pays 100% of the Contract Rate</p> <p><b>All other</b> Plan pays 90% of the Contract Rate</p> <p>You pay 10% of the Contract Rate</p>	<p><b>Emergency Room treatment</b> Plan pays 100% of Allowed Charge</p> <p><b>All other</b> Plan pays 70% of Allowed Charge</p> <p>You pay 30% of Allowed Charge</p>
<b><u>Transplants (Organ and Tissue)</u></b> <ul style="list-style-type: none"> <li><b>Organ and tissue transplants:</b> Allowed Charges incurred by the donor and the recipient when the recipient is an Eligible Individual. Allowed Charges may include patient screening, organ procurement and transportation of organ or tissue, surgery and Hospital charges for the recipient and donor, follow-up care in home or Hospital, and immunosuppressant drugs.</li> <li>Benefits payable for an organ donor who is not an Eligible Individual will be reduced by any amounts paid or payable by that donor's own health coverage.</li> </ul>	<ul style="list-style-type: none"> <li>No benefits are available without Utilization Review from Anthem.</li> <li>In no case will the Plan cover expenses for transportation of the donor, surgeons or family members.</li> </ul> <p>The following criteria must be met for any transplant benefits to be payable:</p> <ul style="list-style-type: none"> <li>The transplantation procedure is not considered an Experimental or Investigative Procedure as defined in the definition section of this document.</li> <li>The Patient is admitted to a transplantation center program in a major medical center approved either by the federal government or the appropriate state agency of the state in which the center is located; and</li> <li>The recipient of the organ or tissue is an Eligible Individual covered under the Plan.</li> </ul>	<p>Plan Pays 90% of the Contract Rate</p> <p>You Pay 10% of the Contract Rate</p>	<p>Plan Pays 70% of Allowed Charge</p> <p>You Pay 30% of Allowed Charge</p>

<b>SCHEDULE OF NON-MEDICARE ELIGIBLE INDEMNITY MEDICAL PLAN BENEFITS</b> All benefits are subject to the deductible except where noted. <b>*IMPORTANT: Non-Contract providers are paid according to the Allowed Charge as defined in the Definitions chapter and could result in balance billing to you.</b>			
Benefit Description	Explanations and Limitations	BENEFITS FOR NON-MEDICARE ELIGIBLE RETIREES AND DEPENDENTS	
		Contract Providers	Non-Contract Providers
<b><u>Wellness (Preventive) Program for Retiree and Spouse</u></b>  Normal Plan benefits including Deductible and Coinsurance apply to all covered preventive services.	The Plan will cover: <ul style="list-style-type: none"> <li>• A routine physical examination for the Retiree and the Spouse.</li> </ul> Routine preventive care may include: <ul style="list-style-type: none"> <li>• A colonoscopy and sigmoidoscopy examination if your Physician considers you at high risk for colon cancer.</li> <li>• A routine mammogram, including a digital mammogram, obtained as a diagnostic screening procedure. Benefits will be paid in accordance with the following frequency schedule:               <ul style="list-style-type: none"> <li>• women age 35 through 39 – one baseline mammogram</li> <li>• women ages 40 and over – one mammogram every year</li> </ul> </li> </ul>	Plan Pays 90% of the Contract Rate  You Pay 10% of the Contract Rate  There is a \$1,500 maximum for a colonoscopy received in an outpatient Hospital setting	Plan Pays 70% of Allowed Charge  You Pay 30% of Allowed Charge  There is a \$1,500 maximum for a colonoscopy received in an outpatient Hospital setting

## RETAIL PHARMACY PROGRAM

The Plan will provide up to a 30-day supply of medication per prescription through the retail pharmacy program. If you need to take maintenance medications on an ongoing basis, you will be required to use the Mail Order Pharmacy and may receive up to a 90-day supply.

When you are eligible for coverage, your medical identification card will have your prescription drug information on it and can also be used for your prescription ID card. If you live within 10 miles of a network pharmacy, you must use a network pharmacy to have retail pharmacy benefits. When you have a prescription filled at a retail network pharmacy:

- Show the pharmacist your ID card; and
- Pay your Copayment for the prescription (the pharmacy bills the Plan the remaining amount).

The pharmacist will automatically fill your prescription with a generic Drug if available unless you or your doctor specifies otherwise.

- The “**formulary**” is the list of preferred Drugs established by Express Script’s independent pharmacy & therapeutics committee. The committee reviews Drugs on the preferred list based on safety, efficacy and cost.
- “**Multi-source**” is a brand name Drug that has a generic equivalent.
- “**Single-source**” is a brand name Drug that does not have a generic equivalent.

**Note:** The formulary includes at least one Drug choice, and in most cases multiple Drug choices, for each therapeutic category.

### ***If There is No Network Pharmacy in Your Area***

The Plan will reimburse you for covered prescriptions filled at a non-network pharmacy **only if you live more than 10 miles from the closest network pharmacy**. Your pharmacist must complete a prescription Drug claim form, which is available from the Trust Fund Office. Covered Drugs will be reimbursed at 100% of the reasonable cost less the applicable Copayment and any other amount due from you, as shown above.

**Note.** If you fail to show your Prescription Drug ID card to the network pharmacist, you must pay the pharmacy the full price for the prescription. You may then send a claim form to Express Scripts for reimbursement. Express Scripts will reimburse you based on the amount the Fund would have paid if your prescription were filled at a network pharmacy and you will be responsible for any remaining charges.

## MAIL ORDER PROGRAM

When you comply with the Plan’s requirement to use the mail order program, you can save money for your maintenance medications. Maintenance medications are prescription Drugs that are used on an ongoing basis. When you use the mail order program, you can have prescriptions filled for up to a 90-day supply. Your prescription will be filled with a generic Drug if available unless your doctor indicates no substitution may be made. To use the mail order program:

- Ask your doctor for a prescription for up to a 90-day supply, with refills if appropriate.
- Mail the original prescription along with the prescription order form and your payment or credit card information to Express Scripts using the special pre-addressed envelope. You may also have your doctor fax your prescriptions. Ask your doctor to call Express Scripts at (800) 473-3455 for faxing instructions.

Refer to the separate Express Scripts Prescription Drug Handbook for more detailed information on how to use the Express Scripts mail order program and Specialty Care Pharmacy. This handbook is available from the Trust Fund Office.

If you need to begin taking the medication right away, you may want to ask your doctor for two prescriptions: a short-term supply that you can have filled immediately at a network retail pharmacy; and a refillable supply that you can have filled through the mail order program.

You must use the Mail order program if you obtained 2 prescriptions for maintenance medications at a Retail Pharmacy. If you do not, there are no benefits available.

The chart on the following page outlines how much you will have to pay for covered prescription drugs.

**PRESCRIPTION DRUG BENEFITS FOR RETIREES AND DEPENDENTS NOT ELIGIBLE FOR MEDICARE**

**Drugs (Outpatient Medicines)**

Please refer to the section on prescription drugs beginning on page 60

**In-Network Retail Pharmacy**

**(up to a 30-day supply)**

Formulary Generic Drug	\$15 copay
Multi-Source Brand Name Drug	\$15 plus the difference in cost between the generic and brand name Drugs
Single Source Formulary Brand Name	\$53 copay
Non-Formulary Drug	\$80, provided the Drug has been preauthorized or does not require Utilization Review
For any new Brand Name Drug approved by the FDA, the copay is 50% of the cost of the drug for a minimum of 24 months after the drug has been approved. If the PBM determines that the new FDA approved drug is a "must not add" drug, the copy will remain at 50% of the cost of the drug.	
You pay 100% if you use a Non-Network Pharmacy unless there are no Network pharmacies available within 10 miles. The Plan will not reimburse any more than it would have had you used an in-Network pharmacy	

**Mail Order Services**

**(up to a 90-day supply)**

Formulary Generic Drug	\$26 copay
Multi-Source Brand Name Drug	\$26 plus the difference in cost between the generic and brand name Drugs
Single Source Formulary Brand Name	\$106 copay
Non-Formulary Drug	\$133, provided the Drug has been preauthorized or does not require Utilization Review

**Specialty Drugs**

**(up to a 30-day supply)**

Formulary Generic Drug	\$15 copay
Multi-Source Brand Name Drug	\$26 plus the difference in cost between the generic and brand name Drugs
Single Source Formulary Brand Name	\$53 copay
Non-Formulary Drug	\$80 provided the Drug has been preauthorized or does not require Utilization Review
For any new Brand Name Drug approved by the FDA (including injectable and infusion drugs), the copay is 50% of the cost of the drug for a minimum of 24 months after the drug has been approved. If the PBM determines that the new FDA approved drug is a "must not add" drug, the copy will remain at 50% of the cost of the drug.	

**If the cost of the drug is less than the copay, you pay just the drug cost.**

**Specialty Drugs must be obtained from the Pharmacy Benefit Manager or no Plan benefit is available.**

## Vision Benefits

### *Copayments/Schedule of Benefits*

You pay the Copayment regardless of whether you use a VSP Member Doctor or a non-VSP provider. The \$10 exam Copayment is due only once each year, for the first service you receive each year (unless you qualify for the low vision benefit, which has additional Copayments).

Vision Benefits	VSP Member Doctor	Non-VSP Provider
Copayments Exam Materials (Prescription Glasses)	\$10 \$25	\$10 \$25
Vision Examination – Limited to once every 12 months	Plan pays 100%, up to network provider contract rates	Plan pays up to \$40
Lenses – Limited to once every 12 months Single Vision Lined Bifocal Lined Trifocal Lenticular Tints	Plan pays 100%, up to network provider contract rates	Plan pays up to: \$40 \$60 \$80 \$100 \$ 5
Frames – Limited to once every 24 months	The Plan pays 100%, up to \$150 retail allowance.	Plan pays up to \$45
Necessary Contact Lenses – Limited to once every 12 months (in lieu of lenses and frames)	Covered in Full, up to network provider contract rates	Plan pays up to \$210
Elective Contact Lenses – Limited to once every 12 months (in lieu of lenses and frames)	Plan pays up to \$105 for contact lenses and fitting and evaluation exam	Plan pays up to \$105 for exam and lenses
Costco fame allowance	\$120	

### Covered Vision Services

- **Vision Examination** – including analysis of visual functions and prescription of corrective eyewear when indicated, once every 12 months.
- **Lenses** – once every 12 months for regular every day wear lenses and once every 12 months for safety glasses.
- **Frames** – once every 24 months for regular every day wear frames and once every 12 months for safety glasses. VSP offers a selection of frames within Plan limits. If you choose more expensive frames (exceeding the Plan limit), you will be responsible for the additional amount over the Plan's maximum.
- **Visually Necessary Contact Lenses** – once every 12 months. Visually necessary contacts obtained from a VSP Member Doctor are covered in full. When they are obtained from a non-VSP provider, an allowance will be paid toward the cost. Contact lenses are visually necessary if they are needed to restore or maintain visual acuity and a less expensive professionally acceptable alternative is not available. (Visually necessary contact lenses are subject to the exam and materials Copayments.)
- **Elective Contact Lenses** – once every 12 months. If you choose contact lenses for any purposes other than the visually necessary circumstances described above, they are considered elective contact lenses. When you choose contact lenses instead of glasses, your \$105 allowance applies to the cost of the contacts and the contact lens exam and fitting evaluation. This is in addition to your regular vision exam, which is covered in full (if from a VSP Member Doctor). When contact lenses are obtained, you will not be eligible for regular spectacle lenses again for 12 months and frames for 24 months. (Note: The exam and materials Copayments do not apply to elective contact lenses.)

Contact lenses are provided in lieu of all other benefits for lenses and frames and only when a prescription change is warranted.

## Discounts From VSP Member Doctors

When you use a VSP Member Doctor, you will be entitled to discounts on charges for some non-covered items and contact lenses. These discounts include:

- 20% off for additional prescription glasses and sunglasses when a complete pair of glasses is dispensed – available from the same VSP Member Doctor who provided your eye exam within the last 12 months.
- 20%-25% savings on the most popular lens options, such as scratch resistant and anti-reflective coatings and progressives.
- 15% discount off cost of contact lens exam (fitting and evaluation).

## Exclusions and Limitations

When you select any of the following extra items, the Plan will pay the basic cost of the allowed lenses or frame, and you must pay any additional cost for the options.

- Optional cosmetic processes.
- Anti-reflective coating.
- Color coating, mirror coating or scratch coating.
- Blended lenses.
- Cosmetic lenses, laminated lenses, or oversize lenses.
- Polycarbonate lenses (covered for Dependent children).
- Progressive multifocal lenses.
- UV (ultraviolet) protected lenses.
- Certain limitations on low vision care.
- A frame that costs more than the Plan allowance.

## Services Not Covered

There are no benefits payable for professional services or materials connected with:

- Orthoptics or vision training and any supplemental testing; plano lenses (less than a +.50 diopter power); or 2 pair of glasses in lieu of bifocals.
- Replacement of lenses and frames furnished under this plan that are lost or broken; except at the normal intervals when services are otherwise available.
- Medical or surgical treatment of the eyes.
- Services that can be obtained without cost from any federal, state, county or local organization or agency.
- Corrective vision treatment of an Experimental nature.
- Costs for services and/or materials above Plan benefit allowances.

## Low Vision Benefit

The Low Vision Benefit is available if you have severe visual problems that cannot be corrected with regular lenses. If you qualify for this benefit, you may receive professional services as well as ophthalmic materials, including supplemental testing, evaluations, visual training, low vision prescription services and optical and non-optical aids, subject to the maximums outlined in the following chart.

Low Vision Benefits	VSP Member Doctor	Non-Member Doctor
Supplemental testing	Covered in full	Plan pays up to \$125
Supplemental Aids	75% of the approved cost	75% of the approved cost
Maximum Benefit	\$500 per person, every two (2) years	

## How to File a Claim

If you use a non-VSP provider, call VSP at (800) 877-7195 to have an Out-of-Network Reimbursement Form mailed or faxed to you. (You can also fill out the form online at [www.vsp.com](http://www.vsp.com) and print it.) Mail the completed form with your itemized receipt to VSP at:

Vision Service Plan  
Attn: Out-of-Network Provider Claims  
P.O. Box 997105  
Sacramento, CA 95899-7105

When you use a VSP Member Doctor, you do not need to file a claim for reimbursement.

To locate a VSP provider, call VSP at (800) 877-7195 or search online at [www.vsp.com](http://www.vsp.com).

## Appeals for Denied Vision Care Benefits

If your claim is denied, in whole or in part, you will receive written notification from VSP including the reasons for denial. If you do not agree with the denial you may then submit a written request to VSP for reconsideration within 180 days from the date you received the denial. Any request for reconsideration should include documents or records in support of your appeal. VSP will provide a written response to the appeal within 30 days after it is received.

Any request to VSP should be sent to the following address:

Vision Service Plan  
Member Appeals  
3333 Quality Drive  
Rancho Cordova, CA 95670  
(800) 877-7195

See the brochure from VSP and "Claims and Appeals Procedures" in this booklet.

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Vision plan benefits are treated as standalone (or excepted) benefits under the Health Insurance Portability and Accountability Act (HIPAA) and the Patient Protection and Affordable Care Act of 2010 (PPACA). Even though the Fund is not required to do so under PPACA, the Fund offers Vision Plan benefits for covered Dependents up to age 26.

## INDEMNITY MEDICAL PLAN EXCLUSIONS

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**Please note: These exclusions apply to the Indemnity Medical Plan's benefits for Medicare Eligible Retirees and Dependents as well as Retirees and Dependents who are not eligible for Medicare.**

No benefits are payable for the following:

1. Any amounts in excess of Allowed Charges for Non-Contract Providers or the contract rate for Contract Providers.
2. Expenses for which benefits are payable under any other programs provided by the Fund.
3. Any expense incurred for services furnished or supplies purchased prior to the date you or your Dependents became eligible. An expense is considered incurred on the date the person receives the service for which the charge is made.
4. Any expense incurred after eligibility terminates, except as provided under the "Extended Benefits for Inpatient Hospital, Skilled Nursing Facility or Home Care" provision.
5. Custodial Care or rest cures, any care in a home for the aged, nursing, convalescent, or rest home, or institution of a similar character, except as provided by the Skilled Nursing Facility benefit.
6. Services received while an Eligible Individual is confined in a Hospital operated by the United States Government or an agency of the United States Government except that the Plan, to the extent required by law, will reimburse a VA Hospital for care of a non-service-related disability if the Plan would normally cover the care if the Department of Veterans Affairs were not involved.
7. Any work-related Injury or Illness. However, the Plan will pay benefits on behalf of an Eligible Individual who has incurred an occupational Injury or Illness subject to the following conditions:
  - a. The Eligible Individual signs an agreement to diligently prosecute his/her claim for Workers' Compensation benefits or for any other available occupational compensation benefits; and
  - b. The Eligible Individual agrees to reimburse the Fund for any benefits paid by the Fund by consenting to a lien against any occupational compensation benefits received through adjudication, settlement or otherwise; and
  - c. The Eligible Individual cooperates with the Fund or its designated representative by taking reasonably necessary steps to obtain reimbursement, through legal action or otherwise, for any benefits paid for the Eligible Individual's occupational Injury or Illness.
8. Conditions resulting from act of war or armed invasion.
9. Treatment on or to the teeth, or gums (other than for tumors), except as provided for dental injury; extraction of teeth; treatment of dental abscess or granuloma, dental plates, bridges, crowns, caps or other dental prosthesis.
10. Eyeglasses, contact lenses, routine eye examinations, eye refractions for the fitting of glasses, vision therapy including orthoptics, or any refractive eye surgery. Note: You may have vision benefits available through a separate vision plan.
11. Routine newborn nursery charges billed by a Non-Contract Hospital.
12. Cosmetic services, except for conditions resulting from an accident or a functional disorder or reconstructive surgery following a mastectomy.
13. Any expense incurred for services or supplies that constitute personal comfort or beautification items, or for weight loss programs.
14. Drugs, except while the patient is hospitalized and entitled to receive Hospital benefits. (See also information on prescription drug benefits for individuals enrolled in the Indemnity Medical Plan.)
15. Hospital admissions primarily for custodial care.



16. Services of a naturopath or any other provider not meeting the definition of Physician, except as may be provided under specific benefits of the Plan.
17. Services not specifically listed as covered services, or those services that are not Medically Necessary or not considered as common medical practice by the Plan.
18. Services for which the Eligible Individual is not legally obligated to pay or for which no charge is made to the Eligible Individual. Services for which no charge is made to the Eligible Individual in the absence of insurance coverage, except services received at a non-government charitable research hospital.
19. Professional services received from a registered nurse or physical therapist who lives in the Eligible Individual's home or who is related to the Eligible Individual by blood or marriage.
20. Inpatient Hospital charges in connection with a Hospital stay primarily for physical therapy.
21. Educational services, supplies or equipment, including, but not limited to computers, computer devices/software, printers, books, tutoring or interpreters, visual aids, vision therapy, auditory or speech aids/synthesizers, auxiliary aids such as communication boards, listening systems, device/programs/services for behavioral training including intensive intervention programs for behavior change and/or developmental delays or auditory perception or listening/learning skills, programs/services to remedy or enhance concentration, memory, motivation, reading or self-esteem, etc., special education and associated costs in conjunction with sign language education for a patient or family members, and implantable medical identification/tracking devices.
22. Orthopedic shoes (except when joined to braces) or shoe inserts (except custom-made orthotics), air purifiers, air conditioners, humidifiers, exercise equipment for conditioning (e.g., Nautilus Equipment, etc.), or supplies for comfort, hygiene or beautification.
23. Educational services, nutritional counseling or food supplements, unless specifically provided under a qualified Diabetes Instruction Program.
24. Physical therapy services that are primarily educational, sports-related or preventive, such as physical conditioning, exercise or back school.
25. Speech therapy, occupational therapy (except rehabilitation treatment following an Illness or Injury).
26. Infertility treatment along with services to induce pregnancy and complications resulting from those services, including, but not limited to: services, prescription drugs, procedures or devices to achieve fertility, in vitro fertilization, low tubal transfer, artificial insemination, embryo transfer, gamete transfer, zygote transfer, surrogate parenting, donor egg/semen or other fees, cryostorage of egg/sperm, adoption, ovarian transplant, infertility donor expenses, fetal implants, fetal reduction services, surgical impregnation procedures and reversal of sterilization.
27. Hypnotism, biofeedback, stress management, and any goal-oriented behavior modification, such as to quit smoking or lose weight, or to control pain.
28. Non-surgical services primarily for weight loss.
29. Claims submitted more than 12 months from the date of service.
30. Any services and supplies in connection with Experimental or Investigational Procedures.
31. Any services and supplies in connection with an Illness, Injury, disease or other condition for which a third party (or parties) may be liable or legally responsible by reason of an act, omission, or insurance coverage of that third party or parties (referred to in this SPD collectively as "responsible third party").
32. Reimbursement for percentage of the amount that would have been payable in accordance with Medicare allowable payments for expenses from Non-Contract Hospital, Non-Contract Facility and other Non-Contract providers who did not complete enrollment in the Medicare program or did not submit an affidavit to Medicare expressing their decision to opt-out of the Medicare program.
33. Habilitative services are not covered. This includes any physical therapy, occupational therapy, and/or speech therapy provided to individuals with developmental delays that have never acquired normal functional abilities.

## CLAIMS AND APPEALS PROCEDURES

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There are the various types of claims associated with Plan benefits, procedures for filing claims, and the procedure for you to follow if your claim is denied in whole or in part and you wish to appeal the decision. Throughout this section, “you” and “your” may refer to you, your Dependent(s) and/or your authorized representative, as applicable.

### Use of Authorized Representative

An authorized representative, such as your Spouse or an adult child, may submit a claim or appeal on your behalf if you have previously designated the individual to act on your behalf through a form available from the Trust Fund Office. The Trust Fund Office may request additional information to verify that the designated person is authorized to act on your behalf.

A health care professional with knowledge of your medical condition may act as an authorized representative in connection with the “urgent claims” discussed below without your having to designate an authorized representative.

### Types of Claims

There are different types of claims applicable to the benefits listed at the start of this section. Four of them have to do with health care:

- **Pre-service claims:** A pre-service claim is a request for authorization of care or treatment that requires approval in whole or in part before the care or treatment is obtained (also called Utilization Review (“pre-authorization” or “pre-certification”).

For information about where to submit a claim or file an appeal, please refer to the chart on page 73 of this document.

Under this Plan, Retirees and Dependents who are not eligible for Medicare are required to receive **prior approval** for the following services:

- Non-emergency Hospital admissions (including mental health and substance abuse), other than stays of a certain length following childbirth or admissions when the Plan is the secondary payer (must be pre-approved by Anthem Blue Cross)
- Organ transplants (must be pre-approved by Anthem Blue Cross)
- Certain prescription Drugs (must be approved by the Plan’s pharmacy benefit manager). Call Express Scripts at (800) 939-7093 for a list of the Drugs that require prior approval.
- For the following outpatient diagnostic imaging services: CT/CTA, MR/MRI, Nuclear cardiology, PET scan and echocardiography (must be pre-approved by Anthem Blue Cross)

If you fail to get prior approval for these services, your benefits may be denied.

- **Urgent care claims:** Your request for a required pre-authorization will be considered an urgent claim if applying the time frames allowed for a pre-service claim (*generally 15 days for a request submitted with sufficient information*) would:
  - seriously jeopardize your life or health or your ability to regain maximum function, or
  - in the opinion of a Physician with knowledge of your medical condition, subject you to severe pain that could not be adequately managed without the care or treatment that is the subject of the claim.

The claims evaluator, applying the judgment of a prudent layperson who possesses an average knowledge of health and medicine, will determine whether your claim is an urgent claim. Alternatively, if a Physician with knowledge of your medical condition determines your claim is an urgent claim and notifies the claims evaluator, it will be treated as an urgent claim.

- **Concurrent claims:** A concurrent claim is a decision that is reconsidered after an initial approval was made, resulting in a reduction, termination, or extension of the previously approved benefit. (For example, an inpatient hospital stay originally pre-approved for 5 days is subjected to concurrent review at 3 days to determine if the full 5 days are appropriate.) In this situation, a decision to reduce, terminate, or extend treatment is made concurrently with the provision of treatment. This category also includes requests by you or your provider to extend care or treatment approved under an urgent claim.

- **Post-service claims:** Any other type of health care claim is considered a post-service claim—for example, a claim submitted for payment after health services and treatment have been obtained.

## What is NOT a “Claim”

The following are not considered claims and are thus not subject to the requirements and time frames described in this section:

- Casual inquiries about benefits or the circumstances under which benefits might be paid.
- A request for an advance determination regarding the Plan’s coverage of a treatment or service that does not require Utilization Review.
- A prescription you present to a pharmacy to be filled. However, if you are required to pay the full cost to have your prescription filled, you should submit a post-service claim for the applicable reimbursement.

## Filing a Claim

The method used to file a claim will depend on the type of claim:

- **Pre-service claims (for Retirees and Dependents not eligible for Medicare):**
  - **Pre-service claims under the Indemnity Medical Plan:** Have your Physician call Anthem Blue Cross at (800) 274-7767 to request Utilization Review.
  - **Pre-service claims for prescription drug benefits:** Have your Physician call Express Scripts (the Plan’s pharmacy benefit manager) at (800) 939-7093 to obtain pre-authorization for any Drug requiring Utilization Review.
- **Urgent claims:** Urgent claims (claims for Utilization Review that need to be handled on an expedited basis) should be directed to the same parties mentioned above for pre-service claims. **Urgent claims must be submitted by telephone, in person** (they may **not** be submitted via the U.S. Postal Service), **or by secure email** to: BCCUMintake@wellpoint.com.
- **Post-service claims:** Claim forms for post-service health care claims must be completed in full, and an itemized bill or bills must be attached.
  - **Indemnity Medical claims** (including mental health and chemical dependency) should be sent to: Anthem Blue Cross, P.O. Box 60007, Los Angeles, CA 90060-0007. Contract providers will submit your claims for you. (Blue Card providers outside of California should send claims to the local Blue Cross plan.)
  - **Hearing aid claims** should be sent to the Trust Fund Office at the following address: Carpenters Health and Welfare Trust Fund for California, 265 Hegenberger Road, Suite 100, Oakland, CA 94621-1480.
  - **Claims for prescription drug benefits:** To file a claim for reimbursement if you live more than 10 miles from a network pharmacy and have used a non-network pharmacy, if you forgot your Plan identification card and had to pay the full price at a network pharmacy, or for coordination of benefits claims if this Plan is secondary: send your claim directly to Express Scripts, P.O. Box 14711, Lexington, Kentucky 40512. You can print a claim form from the Carpenters website ([www.carpenterfunds.com](http://www.carpenterfunds.com)) or call Express Scripts customer service.
  - **Claims for vision care benefits** (a claim for reimbursement if you use a provider that does not participate in the VSP network): Send directly to VSP at the following address: Vision Service Plan, Attn: Out-of-Network Provider Claims, P.O. Box 997105, Sacramento, CA 95899-7105.

## When Claims Must Be Filed

Your claim will be considered to have been filed as soon as it is received by the applicable claims evaluator mentioned under “Filing a Claim.”

- Pre-service and urgent claims must be filed **before services are obtained**.
- You must submit all other health care claims within 90 days of when expenses are incurred, unless it is not reasonably possible to do so. **In no event will claims be paid if they are submitted more than 1 year after**

**the date the charges were incurred.** The claim form must be completed in full, and an itemized bill or bills must be attached.

### **Notification That Your Pre-Service or Urgent Claim Has Not Been Properly Filed**

- If your **pre-service** claim has been improperly filed, you will be notified as soon as possible but no later than **5 days** after receipt of the claim of the proper procedures to be followed in filing a claim.
- If your **urgent** claim has been improperly filed, you will be notified as soon as possible but no later than **24 hours** after receipt of the claim of the proper procedures to be followed in filing a claim.

You will receive notice that you have improperly filed your claim only if the claim includes your name, your specific condition or symptom, and a specific treatment, service, or product for which approval is requested. Unless the claim is re-filed properly, it will not constitute a claim.

### **Timing of Initial Claims Decisions**

A determination on your claim will be made within the following time frames:

**Pre-service claims:** If your pre-service health care claim has been properly filed, you will be notified of a decision within **15 days** from the date your claim is filed, unless additional time is needed.

- The time for response may be extended by up to **15 days** if necessary due to matters beyond the control of the applicable claims evaluator. If an extension is necessary, you will be notified before the end of the initial 15-day period of the circumstances requiring the extension and the date by which the claims evaluator expects to make a decision.
- If an extension is needed because the claims evaluator needs additional information from you, the claims evaluator will notify you as soon as possible, but no later than **15 days** after receipt of the claim, of the specific information necessary to complete the claim. In that case you and/or your doctor will have **45 days** from receipt of the notification to respond. During the period in which you are allowed to supply additional information, the normal period for making a decision on the claim will be suspended. The deadline is suspended from the date of the extension notice until either the 45 days have passed or you respond to the request (whichever is earlier). The claims evaluator then has **15 days** to make a decision and notify you of the determination. If the information is not provided within the 45 days allowed, your claim will be denied.

**Urgent claims:** You will be notified of a determination by telephone as soon as possible, taking into account the circumstances of your situation, but no later than **72 hours** after receipt of the claim by the claims evaluator. The determination will also be confirmed in writing.

- If your urgent claim is received without sufficient information to determine whether or to what extent benefits are covered or payable, the claims evaluator will notify you as soon as possible, but no later than **24 hours** after receipt of the claim, of the specific information necessary to complete the claim. You and/or your doctor must respond to this request within **2 business days**. During the period in which you are allowed to supply additional information, the normal period for making a decision on the claim will be suspended. The deadline is suspended from the date of the extension notice until either the 2 business days have passed or you respond to the request (whichever is earlier). Notice of a decision will be provided no later than **48 hours** after the receipt of the required information. If the information is not provided within the 2 business days allowed, your claim will be denied.

**Concurrent claims:** A reconsideration that involves the termination or reduction of payment for a treatment in progress (other than by Plan amendment or termination) will be made by the claims evaluator as soon as possible, but in any event early enough to allow you to have an appeal decided before the benefit is reduced or terminated.

A request by you to extend treatment approved under an urgent claim will be acted upon by the claims evaluator within 24 hours of receipt of the claim, provided the claim is received at least 24 hours prior to the expiration of the approved treatment.

**Post-service claims:** Ordinarily, you will be notified of the decision on your post-service health care claim within **30 days** of the date the claims evaluator receives the claim. This period may be extended one time by up to **15 days** if the extension is necessary due to matters beyond the control of the claims evaluator. If an extension is necessary, you will be notified before the end of the initial 30-day period of the circumstances requiring the extension and the

date by which the claims evaluator expects to make a decision.

If an extension is needed because the claims evaluator needs additional information from you, the claims evaluator will notify you as soon as possible, but no later than **30 days** after receipt of the claim, of the specific information necessary to complete the claim. You and/or your doctor or dentist will have **45 days** from receipt of the notification to respond. During the period in which you are allowed to supply additional information, the normal period for making a decision on the claim will be suspended. The deadline is suspended from the date of the extension notice until either 45 days have passed or the date you respond to the request (whichever is earlier). The claims evaluator then has **15 days** to make a decision on your post-service claim and notify you of the determination. If the information is not provided within the 45 days allowed, your claim will be denied.

## Denied Claims (Adverse Benefit Determinations)

An “adverse benefit determination” is any denial, reduction, termination of or failure to provide or make payment for a benefit (either in whole or in part) under the Plan. Each of the following is an example of an adverse benefit determination:

- a payment of less than 100% of a claim for benefits
- a denial, reduction, termination of or failure to provide or make payment for a benefit (in whole or in part) resulting from any decision on a required pre-authorization or concurrent authorization
- a failure to cover an item or service because the Fund considers it to be experimental, investigational, not Medically Necessary or not medically appropriate
- a decision that denies a benefit based on a determination that you or a Dependent is not eligible to participate in the Plan

You will be provided with written notice of the initial benefit determination. If it is an adverse benefit determination, the notice will include the following:

- the specific reason(s) for the determination,
- reference to the specific Plan provision(s) on which the determination is based,
- a description of any additional material or information needed to perfect your claim and an explanation of why the material or information is needed,
- a description of the appeals procedures and applicable time limits,
- a statement of your right to bring a civil action under ERISA Section 502(a) following the appeal of an adverse benefit determination,
- if an internal rule, guideline or protocol was relied upon in deciding the claim, a statement that a copy is available upon written request at no charge, and
- if the determination was based on the absence of medical necessity, or the treatment’s being experimental or investigational, or other similar exclusion, a statement that an explanation of the scientific or clinical judgment for the determination is available upon written request at no charge.

For urgent claims, the notice will describe the expedited review process applicable to urgent claims. For urgent claims, the notice may be provided orally and followed with written notification.

## Appealing an Adverse Benefit Determination

If your claim is denied or you disagree with the amount of the benefit, you may ask for a review (appeal the decision) as described below.

You must submit your appeal by the applicable deadline:

- within **180 days** after you receive the notice of denial for a claim involving health care or disability (or, in the case of a concurrent claim, within a reasonable time, given the circumstances of your situation).
- within **60 days** after you receive the notice of denial for life and AD&D claims.

For guidance to Appealing an Adverse Benefit Determination, please refer to the chart on page 73 of this document.

All appeals must state the reason you are disputing the denial and be accompanied by any pertinent material not already furnished. How and where you will submit your appeal depends on what type of claim it is:

- **Pre-service claims:** Appeals of pre-service claim denials must be in writing via mail. Those involving Indemnity Medical Plan benefits should be sent to Anthem Blue Cross. Those involving prescription drug benefits should go to the pharmacy benefit manager (Express Scripts).
- **Urgent claims:** Appeals of urgent claim denials must be made either by telephoning or by a similarly expeditious method. Appeals of urgent claims may **not** be submitted via the U.S. Postal Service.  
  
Appeals of urgent claim denials should be sent to the applicable review authority mentioned in “Pre-service claims” immediately above.
- **Concurrent claims:** Appeals of adverse benefit determinations regarding concurrent claims must be made in the same manner described for urgent claims.
- **Post-service claims:** Appeals of post-service claim denials must be submitted in writing to the Trust Fund Office.

Failure to follow the proper procedures or to file an appeal within the prescribed period will constitute a waiver of your right to a review of the denial of your claim.

## Review Process

The review process works as follows:

- You will be given the opportunity to submit written comments, documents, and other information for consideration during the appeal, even if such information was not submitted or considered as part of the initial benefit determination.
- You will be provided, upon written request and free of charge, reasonable access to and copies of all relevant documents pertaining to your claim. A document is relevant if it was relied upon in making the benefit determination; it was submitted, considered, or generated in the course of making the benefit determination; it demonstrates compliance with the Plan’s administrative processes and safeguards required by the regulations; or it constitutes the Fund’s policy or guidance with respect to the denied treatment option or benefit. Relevant documents could include specific Fund rules, protocols, criteria, rate tables, fee schedules or checklists and administrative procedures that prove that the Fund’s rules were appropriately applied to a claim.
- A different person will review the appeal than the person who originally made the initial adverse benefit determination on the claim. The reviewer will not give deference to the initial adverse benefit determination. The decision will be made on the basis of the record, including additional documents and comments that may be submitted by you.
- The Board may grant a personal hearing to receive and hear any evidence or argument you believe cannot be presented satisfactorily by correspondence.
- If the claim was denied on the basis of a medical judgment (such as a determination that the treatment or service was not Medically Necessary or was investigational or experimental), a health care professional who has appropriate training and experience in a relevant field of medicine will be consulted. Upon request, you will be provided with the identification of medical or vocational experts, if any, that gave advice on the claim, without regard to whether the advice was relied upon in deciding the claim. Any health care professional engaged for the purpose of a consultation may not be an individual who was consulted in connection with the initial determination that is the subject of the appeal or any subordinate of such an individual.

## Notice of Decision on Appeal

You will receive notice of the decision made on your appeal according to the following timetable:

- **Pre-service claims:** A notice of a decision on review will be sent within **30 days** of receipt of the appeal.
- **Urgent claims:** A notice of a decision on review will be sent within **72 hours** of receipt of the appeal.

- **Concurrent claims:** Notice of the appeal determination for a concurrent claim will be sent prior to the termination of the benefit.
- **Post-service health care claims:** Ordinarily, decisions on appeals will be made **at the next regularly scheduled meeting** of the Board of Trustees following receipt of your request for review. However, if your request for review is received less than 30 days before the next regularly scheduled meeting, it may be considered at the second regularly scheduled meeting following receipt. In special circumstances, an extension until the third regularly scheduled meeting following receipt of your request for review may be necessary. If such an extension is necessary, you will be advised in writing of the special circumstances and the date by which a decision will be made before the extension begins. Once a decision has been reached, you will be notified as soon as possible, but no later than 5 days after the date of the decision.

## **If Your Appeal is Denied**

The determination of an appeal will be provided to you in writing. The notice of a denial of an appeal will include the following:

- the specific reason(s) for the determination,
- reference to the specific Plan provision(s) on which the determination is based,
- a statement that you are entitled to receive reasonable access to and copies of all documents relevant to the claim, upon written request and free of charge,
- a statement of your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on appeal,
- if an internal rule, guideline or protocol was relied upon, a statement that a copy is available upon written request at no charge, and
- if the determination was based on medical necessity, the treatment's being experimental or investigational, or other similar exclusion, a statement that an explanation of the scientific or clinical judgment for the determination is available upon written request at no charge.

For any claims asserted under the Plan or against the Fund or the denial of a claim to which the right to review has been waived, the decision of the Board or its designated Appeals Committee with respect to a petition for review is final and binding upon all parties, subject only to any civil action you may bring under ERISA. Following issuance of the written decision of the Board on an appeal, there is no further right of appeal to the Board or right to arbitration.

## ***When a Lawsuit May Be Started***

If you believe the rules of the Plan were not applied appropriately in the decision made on your appeal, you may file a lawsuit in Federal court against the Plan. However, no legal or equitable action for benefits under this Plan shall be brought unless and until you have:

- submitted a claim for benefits pursuant to the Plan's Rules and Regulations,
- been notified that the claim is denied (or the claim is deemed denied),
- requested a review of the adverse benefit determination and exhausted all administrative procedures, including all claim appeal and review procedures for every issue you deem relevant, and
- been notified in writing that the denial of the claim has been confirmed (or the claim is deemed denied) on review.

("Deemed denied" means that you filed a claim or an appeal and had not received a decision or notice that an extension would be necessary by the expiration of the response time allowed for the type of claim.)

**No legal action may be started or maintained more than two (2) years after the date you have been notified in writing that the denial of the claim has been confirmed on review.**

**By participating in the Plan, you waive any right to start, be a party to, or be a member of any class, collective, or representative legal action arising out of any dispute, claim, controversy or action. Furthermore,**



you agree that any legal dispute, claim or controversy may be initiated and decided on an individual basis.

### ***Waiver of Class, Collective and Representative Actions***

By participating in the Plan, to the fullest extent permitted by law, whether in court, Participants waive any right to commence, be a party to in any way, or be an actual or putative class member of any class, collective, or representative action arising out of or relating to any dispute, claim or controversy, and Participants agree that any dispute, claim or controversy may only be initiated or maintained and decided on an individual basis.

### ***Discretionary Authority of the Board of Trustees***

The Board of Trustees has the exclusive right and discretion to construe and interpret the Plan and is the sole judge of the standard of proof required in any claim and the application and interpretation of the Plan. Any dispute as to eligibility, type, amount or duration of benefits or any right or claim to payments from the Fund will be resolved by the Board or its duly authorized designee under and pursuant to the provisions of the Plan and the Trust Agreement, and its decision is final and binding upon all parties, subject only to judicial review as may be in harmony with federal labor law.

### ***Where to Submit a Claim or File an Appeal***

CLAIMS		APPEALS
<b>Kaiser Foundation Health Plan</b> (including medical, prescription, hearing aid, and vision)	Kaiser Foundation Health Plan, Inc. Claims Department P.O. Box 12923 Oakland, CA 94604-2923	Kaiser Foundation Health Plan, Inc. Special Services Unit P.O. Box 23280 Oakland, CA 94623
<b>Indemnity Medical Plan</b> (including mental health and chemical dependency)	Anthem Blue Cross P.O. Box 60007 Los Angeles, CA 90060-0007	Carpenters Health and Welfare Trust Fund for California 265 Hegenberger Road, Suite 100 Oakland, CA 94621-1480
<b>Indemnity Plan – Prescription Drug Benefits (For Non-Medicare Retirees and Dependents)</b>	Express Scripts P.O. Box 14711 Lexington, Kentucky 40512	Carpenters Health and Welfare Trust Fund for California 265 Hegenberger Road, Suite 100 Oakland, CA 94621-1480
<b>Indemnity Plan – Prescription Drug Benefits (For Medicare Retirees and Dependents)</b>	Express Scripts P.O. Box 14711 Lexington, Kentucky 40512	Carpenters Health and Welfare Trust Fund for California 265 Hegenberger Road, Suite 100 Oakland, CA 94621-1480
<b>Indemnity Plan – Vision Care Benefits</b>	Vision Service Plan Attn: Out-of-Network Provider Claims P.O. Box 997105 Sacramento, CA 95899-7105	Vision Service Plan Member Appeals 333 Quality Drive Rancho Cordova, CA 95670
<b>Indemnity Plan – Hearing Aid Benefits</b>	Carpenters Health and Welfare Trust Fund for California 265 Hegenberger Road, Suite 100 Oakland, CA 94621-1480	Carpenters Health and Welfare Trust Fund for California 265 Hegenberger Road, Suite 100 Oakland, CA 94621-1480



# INDEMNITY COORDINATION OF BENEFITS (COB) AND THIRD PARTY LIABILITY

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## Coordination of Benefits with Other Plans

If an Eligible Individual is entitled to benefits from another Group Plan for health care expenses for which benefits are also due from this Fund, then the benefits provided by this Plan will be paid in accordance with the following provisions, not to exceed the dollar amount of benefits that would have been paid in the absence of other group coverage or 100% of the Covered Expenses actually incurred by the Eligible Individual.

1. If you are the Retiree, Fund benefits will be provided without reduction, except as provided in the first bullet of rule 7 below, in which case Fund benefits otherwise payable will be determined after the benefits of the other employer-sponsored Group Plan.
2. If you are the Dependent Spouse of a Retiree, Fund benefits will be paid for eligible expenses not covered by the other Group Plan.
3. If a claim is made for a Dependent child whose parents are not separated or divorced, the benefits of the Group Plan that covers the Eligible Individual as a Dependent child of a parent whose date of birth, excluding year of birth, occurs earlier in the calendar year, will be determined before the benefits of the Group Plan that covers that Eligible Individual as a Dependent child of a parent whose date of birth, excluding year of birth, occurs later in the calendar year.

If either Group Plan does not have the provisions of this rule regarding Dependents, which results either in each Group Plan determining its benefits before the other or in each Group Plan determining its benefits after the other, the provisions of this rule will not apply, and the rule set forth in the Plan that does not have the provisions of this rule will determine the order of benefits.

4. If a claim is made for a Dependent child whose parents are separated or divorced and the parent with custody of the child has not remarried, the benefits of a Plan that covers the child as a Dependent of the parent with custody of the child will be determined before the benefits of a Plan that covers the child as a Dependent of the parent without custody.
5. If a claim is made for a Dependent child whose parents are separated or divorced and the parent with custody of the child has remarried, the benefits of a Plan that covers the child as a Dependent of the parent with custody will be determined before the benefits of a Plan that covers the child as a Dependent of the stepparent, and the benefits of a Plan that covers that child as a dependent of the stepparent will be determined before the benefits of a Plan that covers that child as a dependent of the parent without custody.
6. In the case of an Eligible Individual for whom claim is made as a Dependent child whose parents are separated or divorced, where there is a court decree that would otherwise establish financial responsibility for the medical, dental or other health care expenses with respect to the child, then notwithstanding rules 4 and 5 above, the benefits of a Plan that covers the child as a Dependent of the parent with financial responsibility will be determined before the benefits of any other plan that covers the child as a Dependent child.
7. When rules 1 through 6 do not establish an order of benefit determination, Fund benefits will be provided without reduction, if the Eligible Individual has been eligible continuously for benefits from this Fund for a longer period of time than he or she has been continuously eligible for benefits from the other Group Plan, provided that:
  - The benefits of a Group Plan covering the Eligible Individual on whose expenses claim is based as a laid-off or retired employee, or Dependent of that person, will be determined after the benefits of any other Group Plan covering that person as an active employee or dependent of an active employee; and
  - If either Group Plan does not have a provision regarding laid-off or retired employees, which results in each Group Plan determining its benefits after the other, then the immediately preceding provision will not apply.

When rules 1, 2, 3, 4, 5, 6 and 7 do not establish an order of benefit determination, Fund benefits will be provided without reduction, if the Eligible Individual has been eligible continuously for benefits from this Fund for a longer period of time than he or she has been continuously eligible for benefits from the other Group Plan, provided that:

1. The benefits of a Group Plan covering the Eligible Individual on whose expenses claim is based as a laid-off or retired Participant, or Dependent of that person, will be determined after the benefits of any other Group Plan covering that person as an active employee or dependent of an active employee; and
2. If either Group Plan does not have a provision regarding laid-off or retired employees, which results in each Group Plan determining its benefits after the other, then the provision (a) above will not apply.

## Coordination with Preferred Provider Agreements

In addition to any other limitations applicable to this Plan or its Coordination of Benefits provisions, where this Plan, as "secondary", is coordinating benefits with another plan that has entered into a Preferred Provider Agreement with a medical or hospital provider, this Plan will pay no more than the difference between:

1. The lesser of:
  - the normal charges billed for the expenses by the provider; or
  - the contractual rate for that expense under the Preferred Provider Agreement between the provider and the Plan that this Plan is coordinating with, and
2. The amount that the other plan pays as "primary."

## Coordination with Medicare

If you are receiving Social Security retirement benefits when you turn age 65, you will be enrolled in Part A of Medicare automatically.

If you are not receiving Social Security retirement benefits, you will need to apply for Medicare. Contact the nearest Social Security Administration office in the 3 months before you turn age 65 to enroll in both Medicare Parts A and B. By enrolling promptly, you will avoid a possible delay in the start of your coverage and a possible increase in the premiums you will have to pay for Part B.

Failure to enroll in **both** parts of Medicare could create serious financial hardship for you: **On the first day of the month you become eligible for Medicare, the benefits payable by this Plan will be limited to the Medicare supplement benefits described beginning on page 24 regardless of whether you have actually enrolled for Medicare and regardless of whether Medicare makes any payment.** This means that the Plan will pay only 20% for services normally covered by Part B of Medicare and only the Medicare inpatient hospital deductible amount if you are hospitalized.

If you have questions about Medicare, visit [www.medicare.gov](http://www.medicare.gov) or call (800) 633-4227 (TTY users: (877) 486-2048)

HMO members eligible for Medicare must also enroll in Medicare, as they are required to assign the Medicare benefits to the HMO. If you are an HMO member who is eligible for Medicare and you do not enroll in both Parts A and B of Medicare, your coverage in the HMO plan will be terminated. In this case, you and your Dependents will be allowed to enroll in the Indemnity Plan; however, the Indemnity Plan will pay as though you had enrolled in both parts of Medicare.

## Coordination with Medicaid

Benefits payable by this Plan will be made in compliance with any assignment of rights made by or on behalf of an Eligible Individual as required by California's plan for medical assistance approved under Title XIX, Section 1912(a)(1)(A) of the Social Security Act (Medicaid).

If the State has provided medical assistance (under Medicaid) where this Plan has a legal liability to make payment for services, payment will be made by this Plan for claims submitted within one year from the date expenses were incurred. Reimbursement to the State, like any other entity that has made payment for medical assistance where this Plan has a legal liability to make payment, will be equal to Plan benefits or the amount actually paid, whichever is less.

## **Coordination with Prepaid Plans (such as HMOs)**

Regardless of whether this Plan may be considered primary or secondary under its coordination of benefits provisions, in the event a Participant or Dependent:

- has coverage under the Indemnity Medical benefits of this Plan, and
- has coverage under a prepaid program under another Group Plan (regardless of whether the Participant or Dependent must pay a portion of the premium for that plan), and
- uses the prepaid program,

then this Plan will only reimburse the Copayments required of the Eligible Participant or Dependents under the prepaid program, and only if Copayments are required of every person covered by that program.

## **Third-Party Liability**

If an Eligible Individual has an Illness, Injury, disease or other condition for which a third party (or parties) is or may be liable or legally responsible by reason of an act, omission, or insurance coverage of that third party or parties (referred to in this SPD collectively as “responsible third party”), the Fund will not be liable to pay any benefits. However, upon the execution and delivery to the Fund of all documents it requires to secure the Plan’s right of reimbursement, including without limitation a Reimbursement Agreement, the Fund may pay benefits on account of hospital, medical or other expense in connection with, or arising out of, that Injury, Illness, disease or other condition. The Fund will have all rights as outlined in the Third-Party Liability section (SECTION 7.02) of the Rules and Regulations printed at the end of this SPD (beginning on page 119 of this document).

The Fund shall be reimbursed first, before any other claims, for 100% of benefits paid by the Fund from any recovery received by way of judgment, arbitration award, verdict, settlement or other source by the Eligible Individual or by any other person or party for the Eligible Individual, pursuant to such Illness, Injury, disease or other condition, including recovery from any under-insured or uninsured motorist coverage or other insurance, even if the judgment, verdict, award, settlement or any recovery does not make the Eligible Individual whole or does not specifically include medical expenses. The Fund shall be reimbursed from said recovery without any deduction for legal fees incurred or paid by the Eligible Individual. The Eligible Individual and/or his or her attorney must promise not to waive or impair any of the rights of the Fund without written consent. In addition, the Fund shall be reimbursed for any legal fees incurred or paid by the Fund to secure reimbursement of said benefit paid by the Fund.

If the Fund pays any benefits because of such Illness, Injury, disease or other condition, the Fund shall also have an automatic lien and/or constructive trust on that portion of any recovery obtained by the Eligible Individual or by any other person or party for the Eligible Individual, for such Illness, Injury, disease or other condition which is due for said benefits paid by the Fund, even if the judgment, verdict, award, settlement or any recovery does not make the Eligible Individual whole or does not specifically include medical expenses. Such lien may be filed with the Eligible Individual, his or her agent, insurance company, any other person or party holding said recovery for the Eligible Individual, or the court; and such lien shall be satisfied from any recovery received by the Eligible Individual, however classified, allocated, or held.

If reimbursement is not made as specified, the Fund, at its sole option, may take any legal and/or equitable action to recover the amount that was paid for the Eligible Individual’s Illness, Injury, disease or other condition (including any legal expenses incurred or paid by the Fund) and/or may offset future benefits payments by the amount of such reimbursement (including any legal fees incurred or paid by the Fund). The Fund, at its sole option, may cease paying benefits, if there is a reasonable basis to determine that the Eligible Individual will not honor the terms of the Plan, or there is a reasonable basis to determine that this section is not enforceable.

# **INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)**

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## **General Plan Information**

### ***The name and type of administration of the Plan:***

The name of the Plan is Carpenters Health and Welfare Trust Fund for California. The Plan Sponsor is the Joint Board of Trustees of the Carpenters Health and Welfare Trust Fund for California. The Administrative Office of the Fund is located at the following address:

Carpenter Funds Administrative Office of Northern California, Inc.  
265 Hegenberger Road, Suite 100  
Oakland, CA 94621-1480  
Phone: (510) 633-0333  
Email: [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com)  
Website: [www.carpenterfunds.com](http://www.carpenterfunds.com)

The Trust Fund Office will provide any Plan Participant or beneficiary, upon written request, information as to whether a particular Employer is contributing to this Fund and, if so, that Employer's address.

### **Type of plan:**

The Plan is an employee welfare benefit plan, providing medical, prescription drug, hearing aid, and vision care benefits to Participants and their eligible Dependents.

### ***Internal Revenue Service identification number and Plan number:***

The Employer Identification Number (EIN) issued to the Board of Trustees is 94-1234856. The Plan number is 501.

### ***Name and address of the person designated as agent for the service of legal process is:***

Gene H. Price, Administrator  
c/o Carpenters Health and Welfare Trust Fund for California  
265 Hegenberger Road, Suite 100  
Oakland, CA 94621-1480

Service of legal process may also be made upon the Board of Trustees or an individual Trustee.

### ***This program is maintained pursuant to various collective bargaining agreements.***

Copies of the collective bargaining agreements are available for inspection at the Fund Office during regular business hours, and upon written request, will be furnished by mail. A copy of any collective bargaining agreement that provides for contributions to the Fund will also be available for inspection within 10 calendar days after written request at any of the Local Union offices or at any office of any Contributing Employer to which at least 50 Plan Participants report each day.

***Names and business addresses of the members of the Board of Trustees:***

**Employer Trustees**

Don Dolly  
ACME General Engineering, Inc.  
P.O. Box 1574  
Oakdale, CA 95361

Randy Jenco  
Viking Construction Company  
P.O. Box 1508  
Rancho Cordova, CA 95741

Mike Mencarini  
Unger Construction Company  
910 X Street  
Sacramento, CA 95818

Larry Nibbi  
Nibbi Brothers General Contractors  
100 Brannan Street, Suite 102  
San Francisco, CA 94103

Chuck Palley  
Cahill Contractors, Inc.  
425 California Street, Suite 2200  
San Francisco, CA 94104

Joseph R. Santucci  
The Conco Companies, Inc  
5141 Commercial Circle  
Concord, CA 94520

Roy Van Pelt  
Lathrop Construction Associates, Inc.  
4001 Park Road  
Benicia, CA 94510

**Employee Trustees**

Robert Alvarado  
Northern California Carpenters Regional Council  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621

Augie Beltran  
Northern California Carpenters Regional Council  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621

Frank Crim  
Carpenters Local Union No. 180  
404 Nebraska Street  
Vallejo, CA 94590

William Feyling  
Carpenter 46 Northern California Counties  
Conference Board  
265 Hegenberger Road, Suite 220  
Oakland, CA 94621

Curtis Kelly  
Northern California Carpenters Regional Council  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621

Timothy Lipscomb  
Northern California Carpenters Regional Council  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621

Tom Mattis  
Carpenters Local Union No. 751  
1706 Corby Avenue  
Santa Rosa, CA 95407

***The Plan's requirements with respect to eligibility for benefits***

Please refer to the eligibility section of this SPD beginning on page 8.

***Certain factors could interfere with payment of benefits from the Plan (result in your disqualification or ineligibility, denial of your claim, or loss, forfeiture, or suspension of benefits you might reasonably expect)***

Examples of such factors are listed below. See also any other sources of information that apply to you: your Evidence of Coverage from Kaiser (if you are enrolled in Kaiser) or the vision benefits brochure from VSP (if you are enrolled in the Indemnity Medical Plan).

- **Overlooking the Plan's requirements for Utilization Review (applicable only to Non-Medicare eligible Retirees and Dependents).** Certain Indemnity Medical Plan benefits will not be payable if you fail to follow the Plan's requirements for Utilization Review. See page 40 for information on the Indemnity Medical Plan's Utilization Review requirements. Other benefits (such as prescription drugs and mental health and chemical dependency) have Utilization Review requirements too.

Any factors affecting your receipt of benefits will depend on your particular situation. If you have questions, contact the Fund Office at (510) 633-0333 or (888) 547-2054.

- **Use of a Non-Contract Providers (applicable only to Non-Medicare eligible Retirees and Dependents).** You will not receive the highest level of coverage available for many of the health care services described in this booklet unless you use Contract Providers (also called "participating" or "network" providers or, in the case of dental benefits, "PPO dentists"). For some services and supplies, you will not receive any benefits if you do not use Contract Providers. See the sections on the health care benefits for more information.
- **Failure to enroll in both Parts A and B of Medicare.** When you become eligible for Medicare, the Indemnity Medical Plan will assume that you are enrolled in both parts of Medicare, *regardless of whether or not you have actually enrolled*. The Plan will pay only 20% of Medicare's allowed charges and you will be responsible for the rest. (You will not be permitted to enroll in Kaiser unless you have enrolled in both parts of Medicare and assigned your Medicare benefits to Kaiser.)
- **Failure to submit claims in a timely way.** You should submit all health care claims within 90 days from the date on which covered expenses were incurred. In no event will benefits be allowed if you file a claim more than 1 year from the date on which expenses were incurred.
- **The Plan's provisions for coordination of benefits.** If you have health care coverage under another plan, payment of benefits will be coordinated with payment of benefits by that other plan. See "Coordination of Benefits" on page 74 for more information.

**Note:** You are required to notify the Fund Office of other coverage. If you don't notify the Fund of other insurance, it may be unable to coordinate your benefits and this could result in an overpayment on your claim. Overpayments must be repaid before any future claims for you and your family can be paid.

- **The Plan's provisions regarding payment from another source.** You will be required to reimburse the Fund for benefits it pays if you or a Dependent is injured by the acts of a third party and you collect payment for that injury from another source. See "Third-Party Liability" on page 76 for more information.
- **Failure to update your address.** If you move, it is your responsibility to keep the Fund Office informed about where it can reach you. Otherwise, you may not receive important information about your benefits.
- **Failure to keep records** of your self-payments for Retiree health and welfare benefits.

See also pages 10 and 11 for information on eligibility and termination of eligibility.

### ***Source of financing of the Plan and identity of any organization through which benefits are provided:***

All contributions to the Fund are made by Contributing Employers in compliance with collective bargaining agreements in force with the Carpenters 46 Northern California Counties Conference Board or one of its affiliated Local Unions, or by the Regional Council or one of its affiliated Local Unions with respect to certain of their Employees pursuant to Board regulations, or a recognized Subscriber Agreement.

Contributions are calculated pursuant to the applicable Collective Bargaining Agreement or Subscriber Agreement.

Benefits are provided through the Carpenters Health and Welfare Trust Fund for California and the organizations shown in the chart at the end of this section.

### ***The date of the end of the Plan Year:***

The date of the end of the Plan Year is August 31.

### ***Claims and Appeals Procedures***

Claims and appeals procedures are described in the section of this booklet starting on page 67 and in the Kaiser and VSP Evidences of Coverage or Certificate of Coverage.

### ***Future of the Plan and Trust; Plan Amendment and Termination Rights:***

The benefits provided by this Plan, while intended to remain in effect indefinitely, can be guaranteed only so long as the parties to collective bargaining agreements continue to require contributions into the Fund sufficient to underwrite the cost of the benefits. Should contributions cease and the reserves be expended, the Trustees would no longer be obligated to furnish coverage. These are not guaranteed lifetime benefits.

The Board of Trustees has the right to change or discontinue both the types and amounts of benefits under this Plan and the eligibility rules, including those rules providing extended or accumulated eligibility even if the extended eligibility has already been accumulated.

The Plan may be terminated pursuant to the authority under the Trust Agreement. In the event of termination of the Trust, any and all monies and assets remaining in the Trust, after payment of expenses, will be used for the continuance of the benefits provided by the then existing program of benefits, until these monies and assets have been exhausted. The Board of Trustees has the right to revise, reduce, or otherwise adjust benefits in any reasonable manner in connection with termination of the Plan.

### ***Organizations Through Which Benefits Are Provided***

Name and Address of Organization	
<b>Anthem Blue Cross of California</b> 21555 Oxnard Street Woodland Hills, CA 91367  Administers Contract Provider program and required Utilization Reviews for Indemnity Medical Plan; does not guarantee payment of medical benefits. (Benefits are self-funded by the Trust Fund.)	<b>Kaiser Foundation Health Plan</b> Northern California Region 1950 Franklin Street Oakland, CA 94612  Provides prepaid medical, drug, vision and hearing aid benefits to Participants enrolled in Kaiser, with guaranteed payment of these benefits.
<b>Vision Service Plan</b> 3333 Quality Drive Rancho Cordova, CA 95670  Administers vision plan for Participants in the Indemnity Medical Plan; does not guarantee payment of vision benefits. (Benefits are self-funded by the Trust Fund.)	<b>Express Scripts</b> P.O. Box 2015 Pine Brook, NJ 07058  Administers prescription drug benefits for Indemnity Medical Plan Participants; does not guarantee payment of prescription drug benefits. (Benefits are self-funded by the Trust Fund.)



## **Your ERISA Rights**

As a Participant in the Carpenters Health and Welfare Trust Fund for California, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA) and subsequent amendments. ERISA provides that all Plan participants are entitled to the following rights:

### ***Receive Information About Your Plan and Benefits***

You have the right to:

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan. These documents include insurance contracts and collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA).

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan. These include insurance contracts and collective bargaining agreements and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to provide each participant with a copy of this summary annual report.

### ***Continue Group Health Plan Coverage***

You also have the right to:

Continue health care coverage for yourself, Spouse, or Dependent children if there is a loss of coverage under the Plan as a result of a qualifying event. You or your Dependents may have to pay for such coverage. Review this SPD and the documents governing the Plan on the rules governing your COBRA Continuation Coverage rights.

Note that you may also have other health coverage alternatives to COBRA available to you that can be purchased through the **Health Insurance Marketplace** (*the Marketplace helps people without health coverage find and enroll in a health plan, (for California residents see: [www.coveredca.com](http://www.coveredca.com). For non-California residents see your state Health Insurance Marketplace or [www.healthcare.gov](http://www.healthcare.gov))).*

Also, in the Marketplace you could be eligible for a tax credit that lowers your monthly premiums for Marketplace-purchased coverage. Being eligible for COBRA does not limit your eligibility for coverage for a tax credit. Also, you may qualify for a special enrollment opportunity for another group health plan for which you are eligible (such as a spouse's plan), if you request enrollment in that other plan within 30 days of losing coverage under this Plan, even if that other plan generally does not accept late enrollees.

### ***Prudent Actions by Plan Fiduciaries***

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of employee benefit plans. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

### ***Enforce Your Rights***

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.



Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive it within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court once you have exhausted the appeals process described in “Claims and Appeals Procedures” in this booklet. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### ***Assistance With Your Questions***

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory. Alternatively, you may obtain assistance by calling EBSA toll-free at (866) 444-EBSA (3272) or writing to the following address:

Division of Technical Assistance and Inquiries  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue N.W.  
Washington, D.C. 20210

You may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA toll free at (866) 444-EBSA (3272) or contacting the EBSA field office nearest you.

You may also find answers to your plan questions and a list of EBSA field offices at the website of EBSA at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

### **REBATES**

In the event that the Health and Welfare Plan receives a “Medical Loss Ratio” (MLR) Rebate, the monies received will be used for the exclusive purpose of providing benefits to participants in the Plan and their beneficiaries and defraying reasonable expenses of administering the plan.

### **HEADINGS, FONT AND STYLE DO NOT MODIFY PLAN PROVISIONS**

The headings of chapters and subchapters and text appearing in **bold** or CAPITAL LETTERS and font and size of sections, paragraphs and subparagraphs are included for the sole purpose of generally identifying the subject matter of the substantive text for the convenience of the reader. The headings are **not** part of the substantive text of any provision, and they **should not be construed to modify the text of any substantive provision in any way**.

### **PRIVACY OF HEALTH INFORMATION**

The Plan is required to protect the confidentiality of your protected health information under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the rules issued by the U.S. Department of Health and Human Services.

The Plan's Notice of Privacy Practices, distributed to all Plan Participants and Dependents when they first become eligible, explains what information is considered "Protected Health Information (PHI)." It also tells you when the Plan may use or disclose this information, when your permission or written authorization is required, how you can get access to your information, and what actions you can take regarding your information. (See Section 8.10. of the Rules and Regulations printed at the end of this SPD for more information, including a definition of Protected Health Information.)

If you need another copy of the Plan's Notice of Privacy Practices, notices are available online at [www.carpenterfunds.com](http://www.carpenterfunds.com) or contact the Trust Fund Office.

Your rights under HIPAA include the right to:

- Receive confidential communications of your protected health information, as applicable;
- See and copy your health information;
- Receive an accounting of certain disclosures of your health information;
- Amend your health information under certain circumstances; and
- File a complaint with the Plan's Privacy Official or with the Secretary of Health and Human Services if you believe your rights under HIPAA have been violated.

In compliance with HIPAA Security regulations, the Plan has implemented administrative, physical and technical safeguards that protect the confidentiality and integrity of electronic PHI that it creates, receives, maintains or transmits.

**CARPENTERS HEALTH AND WELFARE TRUST FUND  
FOR CALIFORNIA**

**RULES AND REGULATIONS  
FOR RETIREES**

**Amended and Restated Effective September 1, 2017  
Through Amendment No. 48**

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## ARTICLE 1. DEFINITIONS

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Unless the context or subject matter otherwise requires, the following definitions will govern in these Rules and Regulations:

**SECTION 1.01.** The term “Active Employees’ Plan” means the rules and regulations governing the plan for Active participants.

**SECTION 1.02.** The term “Allowed Charge” means the lesser of:

- a. The dollar amount this Fund has determined it will allow for covered Medically Necessary services or supplies performed by Non-Contract Providers. The Fund’s Allowed Charge amount is not based on or intended to be reflective of fees that are or may be described as usual and customary (U&C), usual, customary and reasonable (UCR), prevailing or any similar term. A charge billed by a provider may exceed the Fund’s Allowed Charge. The Fund reserves the right to have the billed amount of a claim reviewed by an independent medical review firm to assist in determining the amount the Fund will allow for submitted claims. When using Non-Contract Providers, the Eligible Individual is responsible for any difference between the actual billed charge and the Fund’s maximum Allowed Charge, in addition to any copayment and percentage coinsurance required by the Plan.
- b. The Provider’s actual billed charge.
- c. The Fund has adopted a Medicare based reimbursement strategy for Non-Contract Hospital, Non-Contract Facility and other Non-Contract Providers where the maximum amount payable by this Plan is a percentage of the amount that would have been payable in accordance with Medicare allowable payments. The Plan limits Medically Necessary *out-patient* services from Non-Contract Providers who are not registered with the Centers for Medicare & Medicaid Services (CMS) to a maximum allowable charge of \$100 per appointment, subject to the non-PPO deductible and coinsurance. Benefits paid *for in-patient* services from a Non-Contract Provider is based on a percentage of that provider’s CMS registered fee; there will be no benefits available for in-patient services from a Non-Contract Provider who is not registered with CMS.

**SECTION 1.03.** The term “Board” means the Board of Trustees established by the Trust Agreement.

**SECTION 1.04.** The term “Building and Construction Industry” means all building construction and all heavy, highway and engineering construction, including but not limited to construction, erection, alteration, repair, modification, demolition, addition or improvement in whole or in part of any building, structure, street (including sidewalk curb and gutter), highway, bridge, viaduct, railroad, tunnel, airport, water supply, irrigation, flood control and drainage system, sewer and sanitation project, dam, power house, refinery, aqueduct, canal, river and harbor project, wharf, deck, breakwater, jetty, quarrying of breakwater or riprap stone, or any other operation incidental to such construction work. This includes renovation work, maintenance work, mill-cabinet or furniture manufacturing or repair work or installation of any modular systems or any other premanufactured materials performed for any public or private employer.

**SECTION 1.05.** The term “Chiropractor” means a licensed practitioner who specializes in the non-surgical treatment and restoration of normal function of the musculoskeletal and nervous system, by manipulation and treatment of the structures of the human body, especially those of the spinal column.

**SECTION 1.06.** The term “Coinsurance” means that portion of eligible expenses for which the covered person has financial responsibility to pay. Coinsurance amounts are addressed in Article 3.

**SECTION 1.07.** The term “Coinsurance Maximum” means the maximum amount of Coinsurance each covered person or family is responsible for paying during a Calendar Year before the Coinsurance required by the Plan ceases to apply (for most but not all services). When the Coinsurance Maximum is reached, the Plan will pay 100% of additional coinsurance related to most covered expenses for the remainder of the Calendar Year. There is no Coinsurance Maximum for Non-Contract provider expenses.

**SECTION 1.08.** The term “Concurrent Review” means the process whereby the Professional Review Organization (PRO) under contract to the Fund determines the number of authorized days considered medically necessary that are eligible for unreduced benefit coverage according to the terms of the Plan once an Eligible Individual has been confined to a Hospital.

**SECTION 1.09.** The term “Contract Hospital” means a Hospital that has a contract in effect with the Fund’s Preferred Provider Organization (PPO).

**SECTION 1.10.** The term “Contract Facility” means a health care or substance abuse treatment facility that has a contract in effect with the Fund’s Preferred Provider Organization (PPO).

**SECTION 1.11.** The term “Contract Physician” or “Contract Provider” means a Physician or other health care provider that has a contract in effect with the Fund’s Preferred Provider Organization. (PPO)

**SECTION 1.12.** The term “Contributing Employer” means an employer who is required by a collective bargaining agreements, with the Union or Subscriber’s Agreements to make contributions to the Fund or who in fact makes one or more contributions to the Fund.

The term “Contributing Employer” also includes any Local Union or Regional Council, any labor council or other labor organizations with which a Local Union or Regional Council is affiliated, and any corporation, trust or other entity which provides services to the Fund or in the enforcement or administration of contracts requiring contributions to the Fund, or in the training of apprentice or journeyman carpenters, which makes contributions to the Fund with respect to the work of its Employees pursuant to a Subscriber’s Agreement and approved by the Board of Trustees, provided the inclusion of any Local Union, Regional Council, labor council, other labor organization, corporation, trust or other entity as a Contributing Employer is not a violation of any existing law or regulation. Any Local Union, Regional Council, labor council, other labor organization, corporation, trust or other entity is a Contributing Employer solely for the purpose of making contributions with respect to the work of its respective Employees and has no other rights or privileges under the Trust Agreement as a Contributing Employer.

**SECTION 1.13.** The term “Copayment” means the amount the Eligible Individual is required to pay for a service or Drug before Plan benefits are payable.

**SECTION 1.14.** The term “Covered Expense(s)” means only those charges which are Allowed Charges under the Plan and which are made for the Medically Necessary care and treatment of a non-occupational Illness or Injury, except that certain routine preventive services are Covered

Expenses when specifically provided in the Plan. Covered Expenses include only those charges incurred by an Eligible Individual while eligible for benefits under this Plan. In no event will a Covered Expense exceed either the Allowed Charge for a service provided by a Non-Contract Provider, or for a Contract Provider the contractual rate for the service under a preferred provider agreement.

**SECTION 1.15.** The term “Deductible” means the amount of Eligible Medical Expenses you are responsible for paying before the Plan begins to pay benefits. An individual Deductible applies to an individual person, while the family Deductible applies to all members of the family that are covered under the Plan. Everything paid toward an individual Deductible counts toward the family Deductible. The amount of Deductibles is discussed in SECTION 3.01.

**SECTION 1.16.** The term “Dentist” means a dentist licensed to practice dentistry in the state in which he or she provides treatment.

**SECTION 1.17.** The term “Dependent” means:

- a. The Retiree’s lawful Spouse or qualified Domestic Partner.
- b. A child who is:
  - (1) the Retiree’s natural child, stepchild or legally adopted child, or a child of the Retiree required to be covered under a Qualified Medical Child Support Order, who is younger than 26 years of age, whether married or unmarried. Adopted children are eligible under the Plan when they are placed for adoption;
  - (2) an unmarried child for whom the Retiree has been appointed legal guardian, provided the child is younger than 19 years of age and is considered the Retiree’s dependent for federal income tax purposes;
  - (3) an unmarried child of the Retiree’s qualified Domestic Partner, provided the child is younger than 19 years of age and is primarily dependent on the Retiree for financial support;
  - (4) an unmarried child eligible under paragraph (2) or (3) above other than age who is 19 but less than 23 years of age and a full time student at an accredited educational institution, provided the child otherwise meets the requirements of paragraph (2) or (3) above.; or
  - (5) an unmarried child of the Retiree (or the Retiree’s spouse or qualified Domestic Partner) of any age who is prevented from earning a living because of mental or physical disability, provided the child was disabled and eligible as a Dependent under this Plan before reaching the Limiting Age described in paragraphs (1), (2), (3) or (4) above, and provided the child is primarily dependent on the Retiree for financial support.
- c. In accordance with ERISA Section 609(a), this Plan will provide coverage for a child of a Retiree if required by a Qualified Medical Child Support Order, including a National Medical Support Order. A Qualified Medical Child Support Order or National Medical Support Order will supersede any requirements in the Plan’s definition of Dependent stated above.

**SECTION 1.18.** The term “Domestic Partner” means a person who resides with the Retiree, is at least 18 years of age and whose relationship with the Retiree meets the following requirements:

- a. The Domestic Partner and the Retiree have had an intimate, committed relationship of mutual caring for a period of at least 6 months and are each other’s sole Domestic Partner;
- b. The Domestic Partner and the Retiree share joint responsibility for each other’s common welfare and financial obligations and can submit proof of that relationship as may be required by the Board of Trustees;
- c. Neither the Domestic Partner nor Retiree is married;
- d. The Domestic Partner and Retiree are each competent to contract;
- e. The Domestic Partner and Retiree are not related by blood closer than would prohibit legal marriage in the State of California;
- f. Any prior domestic partnership of either person has been terminated not less than 6 months prior to the date of the signing of the final declaration of domestic partnership with the Trust Fund Office; and
- g. Application for domestic partnership with the Retiree is properly made as required by the Board of Trustees and all required taxes on the imputed income attributable to Domestic Partner benefits are paid to the Fund when due.

**SECTION 1.19.** The term “Drugs” means any article which may be lawfully dispensed, as provided under the Federal Food, Drug and Cosmetic Act, including any amendments, only upon a written or oral prescription of a Physician or Dentist licensed by law to administer it.

**SECTION 1.20.** The term “Eligible for Medicare” means that the Eligible Individual is eligible for Part A of Medicare without payment of monthly premiums to the Social Security Administration and is eligible for Part B of Medicare whether or not the Eligible Individual has qualified for Part B Medicare benefits by enrollment or other procedure available to him or her.

**SECTION 1.21.** The term “Eligible Individual” means each Retiree and each of his or her eligible Dependents, if any.

**SECTION 1.22.** The term “Emergency Care/Emergency” means medical care and treatment provided after the sudden unexpected onset of a medical condition manifesting itself by acute symptoms, including severe pain, which are severe enough that the lack of immediate medical attention could reasonably be expected to place the Patient’s life or health in serious jeopardy or cause a serious dysfunction or impairment of a body organ or part. The Fund or its designee has the discretion and authority to determine if a service or supply is or should be classified as Emergency Care.

**SECTION 1.23.** The term “Enrollment” means the process of completing and submitting an enrollment form indicating that coverage by the Plan is requested by the Participant. To enroll in the Plan, a person must apply in writing on a form prescribed by the Board and submit documentation as required by the Board. See SECTION 2.03.

**SECTION 1.24.** The terms “Experimental” or “Investigational” mean a drug or device, medical treatment or procedure, if:

- a. The drug or device cannot be lawfully marketed without approval from the United States



Food and Drug Administration and if approval for marketing has not been given at the time the drug or device is furnished; or

- b. The drug, device, medical treatment or procedure, or the Patient informed consent document utilized with the drug, device, treatment, or procedure, was reviewed and approved by the treating facility's Institutional Review Board or other body servicing a similar function, or if federal law requires such review or approval; or
- c. "Reliable Evidence" shows that the drug, device, medical treatment or procedure is the subject of ongoing phase I or phase II clinical trials, is the research, experimental, study or investigational arm of ongoing phase III clinical trials, or is otherwise under study to determine its maximum tolerated dose, its toxicity, its safety, its efficacy or its efficacy as compared with a standard means of treatment or diagnosis; or
- d. "Reliable Evidence" shows that the prevailing opinion among experts regarding the drug, device, medical treatment or procedure is that further studies or clinical trials are necessary to determine its maximum tolerated dose, its toxicity, its safety, its efficacy, or its efficacy as compared with a standard means of treatment or diagnosis.

For purposes of this definition, "Reliable Evidence" means only published reports and articles in peer reviewed authoritative medical and scientific literature; the written protocol or protocols used by the treating facility or the protocol(s) of another facility studying substantially the same drug, device, medical treatment or procedure; or the written informed consent used by the treating facility or by another facility studying substantially the same drug, device, medical treatment or procedure.

**SECTION 1.25.** The term "Extended Care Facility" or "Skilled Nursing Facility" means an institution as defined in Section 1861(j) of the Social Security Act.

**SECTION 1.26.** The term "Fund" means the Carpenters Health and Welfare Trust Fund for California.

**SECTION 1.27.** The term "Group Plan" means any plan providing benefits of the type provided by this Plan which is supported wholly or in part by employer payments.

**SECTION 1.28.** The term "Home Health Agency" means a home health care provider which is licensed according to state or local laws to provide skilled nursing and other services on a visiting basis in the Eligible Individual's home and is recognized as a provider under Medicare.

**SECTION 1.29.** The term "Hospice" means a health care facility or service providing medical care and support services, such as counseling to terminally ill persons and their families.

**SECTION 1.30.** The term "Hospital" means any acute care Hospital which is licensed under any applicable state statute and must provide: (1) 24-hour inpatient care, and (2) the following basic services on the premises: medical, surgical, anesthesia, laboratory, radiology, pharmacy and dietary services. A Hospital may include facilities for mental, nervous, and/or substance abuse treatment that are licensed and operated according to state law. The requirement that a Hospital must provide surgical, anesthesia, and/or radiology services does not apply to facilities for mental, nervous, and/or substance abuse treatment.

**SECTION 1.31.** The term "Illness(es)" means a bodily disorder, infection, or disease and all related symptoms and recurrent conditions resulting from the same causes.

**SECTION 1.32.** The term “Injury” means physical harm sustained as the direct result of an accident, effected solely through external means, and all related symptoms and recurrent conditions resulting from the same accident.

**SECTION 1.33.** The term “Licensed Pharmacist” means a person who is licensed to practice pharmacy by the governmental authority having jurisdiction over the licensing and practice of pharmacy.

**SECTION 1.34.** The term “Limiting Age” means the age at which a child loses eligibility status as defined in SECTION 1.17.

**SECTION 1.35.** The term “Medicare” means the benefits provided under Title XVIII of the Social Security Amendments of 1965.

**SECTION 1.36.** The term “Medically Necessary” with respect to services and supplies received for treatment of an Illness or Injury means those services or supplies determined to be:

- a. Appropriate and necessary for the symptoms, diagnosis or treatment of the Illness or Injury;
- b. Provided for the diagnosis or direct care and treatment of the Illness or Injury;
- c. Within standards of good medical practice within the organized medical community;
- d. Not primarily for the personal comfort or convenience of the Patient, the Patient's family, any person who cares for the Patient, any Physician or other health care practitioner, or any Hospital or specialized health care facility. The fact that a Physician may provide, order, recommend or approve a service or supply does not mean that the service or supply will be considered Medically Necessary for the medical coverage provided by the Plan; and
- e. The most appropriate supply or level of service which can safely be provided. For Hospital confinement, this means that acute care as a bed Patient is needed due to the kind of services the Patient is receiving or the severity of the Patient's condition, and that safe and adequate care cannot be received as an outpatient or in a less intensified medical setting.

**SECTION 1.37.** The term “Non-Contract Hospital” means a Hospital which does not have a contract in effect with the Fund's Preferred Provider Organization (PPO).

**SECTION 1.38.** The term “Non-Contract Facility” means a health care or substance abuse treatment facility that does not have a contract in effect with the Fund's Preferred Provider Organization (PPO).

**SECTION 1.39.** The term “Non-Contract Physician” or “Non-Contract Provider” means a Physician or other health care provider that does not have a contract in effect with the Fund's Preferred Provider Organization (PPO).

**SECTION 1.40.** The term “Participant” means any person who meets the eligibility requirements of the Fund, other than as a Dependent.

**SECTION 1.41.** The term “Patient” means that Eligible Individual who is receiving medical treatment, services, or supplies covered by the Plan.

**SECTION 1.42.** The term “Physician” means a physician or surgeon (M.D.), an Osteopath (D.O.), or a Dentist (D.D.S. or D.M.D.) licensed to practice medicine in the state in which he or she practices.

**SECTION 1.43.** The term “Plan” means the Rules and Regulations of the Carpenters Health and Welfare Trust Fund for California for Retirees including any amendments.

**SECTION 1.44.** The term “Plan Year” means September 1 of any year to August 31 of the succeeding year.

**SECTION 1.45.** The term “Podiatrist” means a health care provider who specializes in the disease, injury and surgery to the feet and who is licensed as a Doctor of Podiatric Medicine (DPM) in the state in which services are performed.

**SECTION 1.46.** The “Pre-admission Review” and “Pre-Admission Certification” means the process whereby the Professional Review Organization (PRO) under contract to the Fund determines the Medical Necessity of an Eligible Individual’s elective confinement to a Hospital, and if Medically Necessary, the number of pre-authorized days eligible for unreduced benefit coverage according to the terms of the Plan, *prior* to the elective Hospital confinement actually occurring.

**SECTION 1.47.** The term “Preferred Provider Organization” (PPO) means the entity under contract with the Fund that is responsible for negotiating contracts with Hospitals, Physicians, facilities and other health care providers who agree to provide hospitalization and medical services to Eligible Individuals on the basis of negotiated rates.

**SECTION 1.48.** The term “Prepaid Medical Plan” means a Health Maintenance Organization (HMO) with which the Fund has entered into an agreement to provide health benefits to Eligible Individuals who elect to be covered under that Prepaid Medical Plan.

**SECTION 1.49.** The term “Professional Review Organization (PRO)” or “Review Organization” means an organization under contract with the Fund that is responsible to determine whether the confinement of an Eligible Individual to a Hospital is Medically Necessary, and if Medically Necessary, to determine the number of Medically Necessary days for the confinement solely for the purpose of determining whether the Eligible Individual is to receive unreduced benefit coverage according to the terms of the Plan for Covered Expenses incurred as a result of that Hospital confinement.

**SECTION 1.50.** The term “Retiree” or “Retired Employee” means each person who meets the eligibility rules in SECTION 2.01.a.

**SECTION 1.51.** The term “Spouse”, wherever it appears in this Plan, will be construed to mean the legal spouse or qualified Domestic Partner of the Retiree.

**SECTION 1.52.** The term “Trust Agreement” means the Trust Agreement establishing the Carpenters Health and Welfare Trust Fund for California, dated March 4, 1953, including any amendment, extension or renewal.

**SECTION 1.53.** The term “Union” means the Carpenters 46 Northern California Counties Conference Board or one of its affiliated unions.

**SECTION 1.54.** The term “Utilization Review (UR) Program” means a program whereby an Eligible Individual who is scheduled for confinement in a Hospital on an elective, non-emergency

basis must obtain Preadmission Review and Concurrent Review from the Professional Review Organization (PRO) under contract to the Fund as to the Medical Necessity of that confinement in order to receive unreduced benefit coverage for Covered Expenses incurred as a result of that Hospital confinement. For emergency confinements, the review must be obtained retrospectively.

## **ARTICLE 2. ELIGIBILITY FOR BENEFITS**

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### **SECTION 2.01. Eligibility Rules.**

a. **Establishment and Maintenance of Eligibility.** A person will be eligible as a Retiree if he or she meets each of the following requirements specified in Subsections (1) through (6) below:

(1) Ten full Eligibility Credits, based on Hours of Work or Hours of Qualified Military Service credited under SECTION 1.21. or SECTION 6.04.b.(1) of the Rules and Regulations of the Pension Plan, effective June 1, 2012, for the Carpenters Pension Trust Fund for Northern California – Effective for Retirements on or After January 1, 2015:

(a) Ten full Eligibility Credits, based on Hours of Work or Qualified Military Service. He or she is receiving a pension from a related plan which is based on 10 or more years of eligibility credit, based on Hours of Work or Qualified Military Service. In order to satisfy this 10 years of eligibility credit provision, qualifying hours may be used from any of the following related plans:

(i) Carpenters Pension Trust Fund for Northern California

(ii) Carpenter Funds Administrative Office Staff Plan

(iii) Any Lathers Plan merged into the Carpenters Pension Trust Fund for Northern California

(iv) OPEIU Local 3 or 29 (if service was with a Contributing Employer)

(v) Industrial Carpenters Pension Plan

(vi) Any Pension Plan when required by a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board, and/or any of its affiliates; or

(b) Reciprocity with the Southwest California Carpenters Health and Welfare Trust. A Retiree who is receiving a Service Pension from the Carpenters Pension Trust Fund for Northern California that is based on reciprocal eligibility credits from the Southwest Carpenters Pension Trust may use hours worked under the Southwest Carpenters Health and Welfare Trust to satisfy this Fund's recent attachment eligibility requirements described in Subsections 2.01.a.(2), (3) and (4).

A Retiree who would satisfy this Fund's eligibility requirements outlined in SECTION 2.01.a.(1)(a) absent the Southwest Carpenters eligibility credits may choose this Fund's retiree health and welfare coverage. If the Retiree elects coverage under this Fund, the required self-payment amount will be based on the years of service under this Fund only, and not on the combined years of service under the two trust funds.

(2) He has worked at least 300 hours in covered employment for a Contributing Employer, during which time contributions have been required to be paid into the Active Employees'

Plan A, Plan B or Plan R, in each of the 2 calendar years immediately preceding the calendar year in which his/her pension effective date occurs. For purposes of this provision, the 300 hour requirement can be satisfied by:

- (a) hours of disability credit granted under the provisions of the Active Employees' Plan;
- (b) hours of disability credit granted under the provisions of the Carpenters Pension Trust Fund for Northern California; or
- (c) hours worked in the year of retirement even if not a full calendar year.

Paragraphs (3) and (4) below are effective for retirements on or after January 1, 2007.

- (3) In 3 of the last 5 calendar years immediately preceding the calendar year in which his pension effective date occurred, he has worked at least 400 hours per year in covered employment for a Contributing Employer, during which time contributions were required to be paid into the Active Employees' Plan A, Plan B or Plan R. For purposes of this provision, the 400 hour requirement can be satisfied by counting hours worked in the year of retirement even if not a full calendar year. Hours of disability credit may not be used to satisfy this requirement.
  - (4) He did not engage in any hours of work for wages or profit in the Building and Construction Industry for an entity that is not a Contributing Employer or not a contributing employer to a related plan that is signatory to the International Reciprocal Agreement for Carpenters Health and Welfare Funds, including self-employment, during the calendar year in which his pension effective date occurred, and in each of the 2 immediately preceding calendar years.
  - (5) For a Retiree who was awarded a Service Pension from the Carpenters Pension Trust Fund for Northern California with a pension effective date from September 1, 2010 through August 31, 2013, and whose last work was in covered employment for a Contributing Employer, the "hours in covered employment" requirements of SECTION 2.01.a.(2) and (3) may 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 Conference Board.
  - (6) He makes the required self payments in a form and manner determined from time to time by the Board.
- b. **When Participation Begins.** Except as provided in SECTION 2.01.c, a person who is eligible as a Retiree will begin participation in this Plan on the earliest of the following dates:
- (1) The first day of the month following exhaustion of eligibility provided by his/her Hour Bank under the Active Employees' Plan;
  - (2) If applicable, the first day of the month following exhaustion of eligibility as an Active Employee as provided through the health care continuation coverage provisions of the Employee Retirement Income Security Act, Sections 601 et seq., as amended (COBRA); or
  - (3) A Retiree's Dependent becomes eligible on the date the Retiree is eligible; or, in the case of a new Dependent Spouse, biological child, legally adopted child or legal guardianship child, on the date the Retiree acquires the new Dependent, if that is later, provided the Retiree enrolls the new Spouse within 60 days of the marriage and the new Dependent child within 60 days of the child's birth or adoption or date the Retiree became the child's legal guardian. These provisions are subject to the Fund's receipt of an enrollment form with all required information. Under the Fund's Prepaid Medical Plan, eligibility for Dependents may be deferred subject to receipt of a completed enrollment form by the Prepaid Medical Plan. A

Dependent's eligibility may be deferred or subject to termination if the Participant fails to provide to the Fund all of the information regarding the Dependent that is required to be provided by federal law.

- c. **Late Enrollment Provisions.** Notwithstanding the provisions of SECTION 2.01.b., a Retiree may defer enrollment in the Plan for the Retiree and/or his/her eligible Dependents under any of the following circumstances:

- (1) Medicare. A Retiree or Dependent not Eligible for Medicare may defer enrollment in the Plan until the Retiree or Dependent becomes Eligible for Medicare. However, in order for a Dependent to be enrolled in the Plan, the Retiree must also be enrolled, except in the case of a surviving Spouse. The Retiree or Dependent must file an application with the Fund Office to enroll in the Plan within 90 days of becoming entitled to Medicare coverage, except that a Spouse who became entitled to Medicare before the Retiree may enroll when the Retiree enrolls regardless of the Spouse's Medicare entitlement date.
- (2) Acquisition of New Dependent. If a Retiree who did not enroll in the Plan when first eligible in accordance with SECTION 2.01.b. subsequently acquires a new Spouse or Dependent child(ren) by birth, adoption, placement for adoption or legal guardianship, the Retiree may enroll him/her self and his/her newly acquired Spouse and Dependent child(ren) in the Plan no later than 31 days after the date the new Dependent is acquired. However, in order for the Retiree to enroll in the Plan, the newly acquired Dependent(s) must also be enrolled.
- (3) Loss of Other Health Coverage. If a Retiree did not enroll in the Plan for Retiree or Dependent coverage on the date the Retiree or Dependent first became eligible because the Retiree or Dependent had other health coverage under another health insurance policy or program (including COBRA Continuation Coverage or individual insurance), and the Retiree or Dependent ceases to be covered by that other health coverage, the Retiree and eligible Dependent may enroll in this Plan within 31 days after termination of the other coverage, if that other coverage terminated due to any of the reasons specified in Subsections (a), (b), (c), (d) or (e) below. However, in order for a Dependent to enroll in the Plan, the Retiree must also enroll, except in the case of a surviving Spouse.
  - (a) The loss of eligibility for the other coverage as a result of termination of employment, reduction in the number of hours of employment, or death, divorce or legal separation;
  - (b) The termination of employer contributions toward the other coverage; or
  - (c) If the other coverage was COBRA coverage, the exhaustion of that coverage. COBRA coverage is exhausted if it ceases for any reason other than the failure of the individual to pay the applicable COBRA premium on a timely basis.
  - (d) In the case of coverage offered through an HMO, or other arrangement, in the individual or group market that does not provide benefits to individuals who no longer live or work in a service area, loss of coverage because the individual no longer lives or works in the service area (whether or not within the choice of the individual) and, in the case of group coverage, no other benefit package is available.
  - (e) Loss of eligibility for coverage because the individual incurs a claim that would meet or exceed a lifetime limit on all benefits.
- (4) Medicaid or Children's Health Insurance Program. A Retiree who did not enroll in the Plan for Retiree or Dependent coverage on the date the Retiree or Dependent first became eligible

will have the opportunity to request enrollment in the Plan within 60 days of either of the following events:

- (a) the date the Retiree and/or Dependent loses eligibility for Medicaid, a state Children's Health Insurance Program (CHIP), or other public program other than Medicare; or
- (b) the date the Retiree and/or Dependent becomes eligible to participate in a premium assistance program under Medicaid or the Children's Health Insurance Program (CHIP).

However, in order for a Dependent to enroll in the Plan, the Retiree must also enroll, except in the case of a surviving Spouse.

- (5) Loss of Coverage through the Affordable Care Act Health Insurance Marketplace or state exchange. If a Retiree did not enroll in the Plan for Retiree or Dependent coverage on the date the Retiree or Dependent first became eligible because the Retiree or Dependent had other health coverage through the Affordable Care Act Health Insurance Marketplace or state exchange, and the Retiree or Dependent ceases to be covered by the Health Insurance Marketplace or state exchange, the Retiree and eligible Dependent may enroll in this Plan within 31 days after termination of the other coverage. However, in order for a Dependent to enroll in the Plan, the Retiree must also enroll, except in the case of a surviving Spouse.
- (6) If a Retiree and/or Dependent Spouse enrolled in the Plan and subsequently terminated coverage under the Fund because he or she became covered under an employer's health plan, the Affordable Care Act Health Insurance Marketplace or state exchange, or under another employer or trust fund Medicare Advantage contract, the Retiree and/or Spouse may re-enroll in this Plan within 31 days of the date the other health coverage ceases. However, in order for a Spouse to enroll in the Plan, the Retiree must also be enrolled, except in the case of a surviving Spouse.

**d. Termination of Eligibility.**

- (1) A Retiree's eligibility will terminate on the last day of any calendar month for which the Retiree fails to satisfy the requirements of SECTION 2.01.a.
- (2) The date the Retiree ceases making self-payments required for coverage.
- (3) The eligibility of a Dependent of a Retiree will terminate on the earliest of the following dates:
  - (a) On the date the Retiree's eligibility terminates;
  - (b) On the date he or she no longer qualifies as a Dependent, except that eligibility for Dependent natural children, stepchildren and legally adopted children will terminate at the end of the month in which the Dependent turns age 26; or
  - (c) the date the Retiree ceases making the self-payments required for Dependent coverage.
- (4) A Dependent child 19 years of age or older whose eligibility is based on student status will continue to be eligible during a Medically Necessary leave of absence from school, subject to the following:
  - (a) Eligibility will continue for up to 12 months or until eligibility would otherwise terminate under the Fund's eligibility rules, whichever comes first.

- (b) Eligibility will terminate before 12 months on the date the Medical Necessity for the leave no longer exists.
  - (c) The Dependent or Participant must submit documentation to the Fund Office, including a Physician's certification of the medical necessity for the leave. The certification form must be submitted to the Fund Office at least 30 days prior to the medical leave of absence if it is foreseeable, or 30 days after the start of the leave of absence in any other case.
  - (d) If eligibility is extended under this provision for a child who is no longer eligible for tax-free health coverage, the Participant parent of the Dependent may be required to certify in writing to the Fund as to the child's tax status.
- (5) In the event of the Retiree's death, his/her surviving legal Spouse will be given a one-time only opportunity to continue coverage under one of the following 3 options:
- (a) In the event of the death of a Retiree, other than one receiving a Disability pension, (including one receiving a Joint and Survivor Pension) who received pension benefits for less than 60 months, the eligibility of the legal Spouse and Dependent children, if any, will continue for the remainder of the 60 month period, provided the applicable self-payment is made, unless the Spouse remarries prior to the termination of pension payments, at which time coverage terminates; or
  - (b) In the event of the death of a Retiree who received a Disability Pension or a Reciprocal Disability Pension, (including one receiving a Joint and Survivor Pension), who received pension benefits for less than 36 months, the legal Spouse and eligible Dependent children may continue to be eligible for the remainder of the 36 month period provided the required self-payment is made, unless the Spouse remarries prior to the termination of pension payments, at which time coverage terminates; or
  - (c) In the event of the death of a Retiree who was receiving a Joint and Survivor Pension, a surviving Spouse may continue eligibility for herself only, provided the applicable self-payment is made and provided the surviving legal Spouse is receiving a monthly pension benefit.
- (6) A Retiree, not Eligible for Medicare, who was covered under the Plan prior to June 1, 1995, may elect to terminate coverage. Upon attaining eligibility for Medicare benefits, the Retiree may re-enroll in the Plan in accordance with SECTION 2.01.c.

**e. Engagement in Employment.**

- (1) A Retiree who returned to employment with a Contributing Employer during the period from July 1, 1998 through December 31, 1998 will continue to be eligible under the Plan as a Retiree. Any self-payments normally required for Retiree health and welfare coverage will be waived for each month in which the Retiree works the minimum number of hours that would otherwise qualify him for eligibility under the Active Employees' Plan.
- (2) The provisions of the above Subsection e.(1) will also apply to any Retiree who returned to employment with a Contributing Employer during the period April 1, 2001 through March 31, 2002.
- (3) Engagement in Employment After June 1, 2009. A Retiree who is receiving benefit payments from the Carpenters Pension Trust Fund for Northern California, who engages in a type of work beginning June 1, 2009 that requires Active contributions to this Fund but does



not result in the suspension of benefit payments from the Carpenters Pension Trust Fund for Northern California will not establish eligibility under this Plan.

However, if the Retired Employee works enough consecutive hours such that, in the absence of this rule, he/she would normally qualify for eligibility as an active Employee, 50% of the health and welfare contributions remitted to this Plan on the Retired Employee's behalf will be used to offset his/her self-pay contributions for Retiree health coverage. Such offset will only be granted for 50% of the contributions on up to a maximum of 480 hours in a calendar year.

If the individual is not an eligible Retired Employee in this Plan, or if the hours worked are less than the number required to earn eligibility under the Active Employees' Plan in the absence of this rule, no health and welfare contributions will be credited on the individual's behalf.

**SECTION 2.02. Continuation Coverage Under COBRA.** COBRA requires that under specific circumstances when coverage terminates, certain health plan benefits available to the Dependents of a Retiree must be offered for extension through self-payments. To the extent that COBRA applies to any Dependent under this Plan, these required benefits will be offered in accordance with this SECTION 2.02.

- a. **General.** Dependents who lose eligibility under the Plan may continue Plan coverage subject to the terms of this SECTION 2.02. This Article is intended to comply with the health care continuation provisions of COBRA. Those provisions are incorporated by reference in the Plan and will be controlling in the event of any conflict between those provisions and the terms of this Section.
- b. **Continuation Coverage.** Dependents of Retirees whose eligibility terminates may continue coverage under COBRA upon the occurrence of a Qualifying Event.

A Qualifying Event is defined as any of the following:

- (1) The Retiree's death;
  - (2) Divorce of the Retiree from his/her Dependent Spouse;
  - (3) Cessation of a Dependent child's Dependent status.
- c. **Qualified Beneficiary.** A Qualified Beneficiary as defined under COBRA is an individual who loses coverage under any of the above referenced Qualifying Events. A child born to, or placed for adoption with, a Retiree during a period of COBRA Continuation Coverage will be a Qualified Beneficiary.
  - d. **Addition of New Dependents.**
    - (1) If, while enrolled for COBRA Continuation Coverage, a Qualified Beneficiary marries, has a newborn child, has a child placed for adoption or assumes legal guardianship of a child, he or she may enroll the new Spouse or child for coverage for the balance of the period of COBRA Continuation Coverage by doing so within 30 days after the birth, marriage or placement for adoption. Adding a child or Spouse may cause an increase in the amount that must be paid for COBRA Continuation Coverage.
    - (2) Any Qualified Beneficiary may add a new Spouse or child to his or her COBRA Continuation Coverage. The only newly added family members who have the rights of a

Qualified Beneficiary are the natural or adopted children of the Retiree or children for whom the Retiree is legal guardian.

- e. **Duration of Coverage.** A Qualified Beneficiary whose coverage would otherwise terminate because of a Qualifying Event may elect continuation coverage for up to 36 months from the date of the Qualifying Event.

The 36 months of continuation coverage provided by this paragraph e. will be offset by any extended coverage provided under SECTION 2.01.d.(5).

Notwithstanding the maximum duration of coverage described in the above paragraphs, a Qualified Beneficiary's continuation coverage will end on the earlier of the date on which:

- (1) The Plan ceases to provide group health coverage to any covered Retirees;
- (2) The premium described in Subsection h. of this SECTION 2.02 is not timely paid;
- (3) The Qualified Beneficiary first obtains health coverage, after the date of his/her COBRA election, under another Group Plan which does not exclude or limit any pre-existing condition of the Qualified Beneficiary; or
- (4) The Qualified Beneficiary becomes entitled to Medicare benefits after the date he or she elected COBRA Continuation Coverage. Entitled to Medicare benefits means being enrolled in either Part A or Part B of Medicare, whichever occurs earlier.

- f. **Election Procedure.** A Qualified Beneficiary must elect continuation coverage within 60 days after the later of:

- (1) The date of the Qualifying Event; or
- (2) The date of the notice from the Plan Office notifying the Qualified Beneficiary of his/her right to COBRA Continuation Coverage.

Any election by a Qualified Beneficiary who is a Dependent Spouse with respect to continuation coverage for any other Qualified Beneficiary who would lose coverage under the Rules and Regulations of the Plan as a result of the Qualifying Event will be binding. However, each individual who is a Qualified Beneficiary with respect to the Qualifying Event has an independent right to elect COBRA coverage. The failure to elect continuation coverage by a Dependent Spouse will result in any other Qualified Beneficiary being given a 60 day period to elect or reject COBRA coverage.

- g. **Types of Benefits Provided.** A Qualified Beneficiary will be provided coverage under these Rules and Regulations which, as of the time the coverage is being provided, is identical to the coverage that is provided to similarly situated Dependents of Retirees with respect to whom a Qualifying Event has not occurred. A Qualified Beneficiary will have the option of taking "core coverage" only. "Core coverage" refers to the health benefits the Qualified Beneficiary was receiving immediately before the Qualifying Event, *excluding* vision benefits.

- h. **Premiums.**

- (1) A premium for continuation coverage will be charged to Qualified Beneficiaries in amounts established by the Board of Trustees. The premium will be payable in monthly installments.

- (2) Any premium due for coverage during the period before the election was made must be paid within 45 days of the date the Qualified Beneficiary elects continuation coverage.
- (3) After the initial premium payment, monthly premium payments must be made no later than the first day of the month for which continuation coverage is elected. There is a grace period of 30 days to pay the monthly premium payments. If payment of the amount due is not made by the end of the applicable grace period, COBRA Continuation Coverage will terminate. The Board of Trustees may extend the premium payment due date.

**i. Notice Requirements for Qualified Beneficiaries.**

- (1) A Qualified Beneficiary must notify the Fund Office in writing of any Qualifying Event no later than 60 days after the later of the date of the Qualifying Event or the date the Qualified Beneficiary would lose coverage as a result of the Qualifying Event.
- (2) The written notice must contain the following information: name of Qualified Beneficiary, Retired Employee's name and identification number, the nature of the Qualifying Event for which notice is being given, date of the Qualifying Event, copy of the final marital dissolution if the event is a divorce.
- (3) Notice may be provided by the Retired Employee, Qualified Beneficiary with respect to the Qualifying Event or any representative acting on behalf of the Retired Employee or Qualified Beneficiary. Notice from one individual will satisfy the notice requirement for all related Qualified Beneficiaries affected by the same Qualifying Event.
- (4) Failure to provide the Fund Office with written notice of the occurrences described in Subsection (1) above, and within the required time frame, will prevent the individual from obtaining COBRA Continuation Coverage.

**j. Notice Requirements for the Fund.**

- (1) No later than 60 days after the date on which the Fund Office receives written notification from the Qualified Beneficiary, the Fund Office will notify the Qualified Beneficiary in writing of his or her rights to continuation coverage.
- (2) The Plan's written notification to a Qualified Beneficiary who is a Dependent Spouse will be treated as notification to all other Qualified Beneficiaries residing with that person at the time the notification is made.
- (3) It is the responsibility of a Qualified Beneficiary to notify the Fund Office of any change in address.

**k. Additional COBRA Election Period in Cases of Eligibility for Benefits Under the Trade Act Amendments of 2002.** An individual who is certified by the U.S. Department of Labor (DOL) as eligible for benefits under the Trade Act Amendments of 2002 may be eligible for a new opportunity to elect COBRA. Qualified Beneficiaries who did not elect COBRA during their election period but are later certified by the DOL for Trade Act benefits, or who receive a pension managed by the Pension Benefit Guaranty Corporation (PBGC), may be entitled to an additional 60 day COBRA election period beginning on the first day of the month in which they were certified. However, in no event would this benefit allow a person to elect COBRA later than 6 months after his or her coverage ended under the Plan.

### **SECTION 2.03. Election of Coverage.**

- a. Each Retiree who becomes eligible will have the opportunity to elect medical and prescription drug coverage provided directly by the Fund, as described in these Rules and Regulations, or the coverage then being offered through any prepaid medical plan offered by the Fund. A Retiree must live within the service area of the prepaid plan to enroll in that plan. The coverage selected by the Retiree will apply to any eligible Dependents of the Retiree.
- b. Changes in Coverage. Retirees and their Dependents must remain in the plan selected for a minimum of 12 months, unless the Retiree moves out of the prepaid plan's service area or a change is approved by the Board of Trustees. Any change in plans will be effective on the later of the first day of the second calendar month following the date the enrollment form is received by the Fund, or the date a prepaid plan confirms enrollment in or disenrollment from a Medicare Risk plan.
- c. Retirees who elect the Indemnity Medical coverage may decline vision coverage for themselves and their Dependents if they do not want these benefits. There will be no financial reward from the Plan for declining this coverage. Retirees who do not tell the Fund Office that they want to decline the coverage will be automatically enrolled in vision coverage.

## **ARTICLE 3. INDEMNITY MEDICAL PLAN BENEFITS FOR RETIREES AND DEPENDENTS NOT ELIGIBLE FOR MEDICARE**

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The benefits described in this Article are payable for Covered Expenses incurred by an Eligible Individual for Medically Necessary treatment of a non-occupational Illness or Injury and preventive services specifically covered by the Plan. An expense is incurred on the date the Eligible Individual receives the service or supply for which the charge is made. These benefits are subject to all provisions of the Plan that may limit benefits or result in benefits not being payable.

**SECTION 3.01. Deductible.** The Plan will not begin paying Indemnity Medical Plan benefits until the Eligible Individual or family has satisfied the Deductible amount for the calendar year, as specified below for Contract and Non-Contract Providers. Only Covered Expenses are applied to the Deductible. Amounts not payable due to failure to comply with the Plan's Utilization Review Program or amounts exceeding any Plan limits on specific benefits are not applied to the Deductible.

- a. Deductible amount per calendar year for:
  - (1) Contract Providers – \$128 per person, not to exceed \$256 per family.
  - (2) Non-Contract Providers – \$257 per person, not to exceed \$514 per family.
- b. Any amounts applied to the Deductible for Contract Providers will also count toward the Non-Contract Provider Deductible, and any amounts applied to the Non-Contract Provider deductible will also count toward the Contract Provider Deductible amount.
- c. Only amounts that have been applied to an individual's per person Deductible will apply to the family Deductible amount.

- d. Exceptions to the Non-Contract Provider Deductible. The Deductible for Contract Providers will apply to the Non-Contract Provider services outlined in SECTION 3.02.c.(2) and (3) below.
- e. The Deductible does not apply to Contract Provider on-line physician visits, provided the charge does not exceed \$49 per visit.
- f. The Deductible does not apply to screening services provided by Health Dynamics.
- g. The Deductible does not apply to health coaching services provided by Trestle Tree.

**SECTION 3.02. Payment.** Except as otherwise stated in Subsection c. below, and until the Annual Out of Pocket Maximum described in SECTION 3.04 is met, all benefits for Covered Expenses are payable as follows, subject to SECTION 3.01:

- a. Contract Providers – 90% of the negotiated contract rate.
- b. Non-Contract Providers – 70% of the Allowed Charge.
- c. Exceptions to payment percentages specified in Subsections a. and b:
  - (1) Substance Abuse Treatment. Contract Provider: 100% of contracted rates for the first course of treatment and 90% of contracted rates for subsequent courses of treatment. Non-Contract Provider: 70% of Allowed Charge.
  - (2) Contract Provider On-line physician visits. Benefits are payable in accordance with SECTION 3.07.k.
  - (3) Exceptions to Non-Contract Provider Payment.
    - (a) If a Non-Contract anesthesiologist or emergency room Physician provides services at a Contract Hospital or Contract Facility, the benefit payable is 90% of the Allowed Charge.
    - (b) The benefit payable for Non-Contract Provider licensed ambulance service is 90% of the Allowed Charge.
    - (c) If the service provided is Medically Necessary and not available from a Contract Provider, the benefit payable is 90% of the Allowed Charge.
  - (4) Screening services by Health Dynamics is 100%, in accordance with SECTION 3.06.d.
  - (5) Health coaching services by Trestle Tree is 100%, in accordance with SECTION 3.08.p.

**SECTION 3.03.** For Emergency Care in a Non-Contract Hospital when the Eligible Individual had no choice in the Hospital used due to the Emergency, the benefit payable is 90% of Allowed Charges for emergency room services or inpatient services if the Patient was admitted to the Hospital from the emergency room. However, for inpatient confinements, the Plan may require that the Patient transfer to a Contract Hospital upon the advice of a Physician that it is medically safe to transfer the Patient and the acute Emergency period has ended. If the Patient remains in the Non-Contract Hospital after the acute Emergency period, the benefit payable will be 70% of the Allowed Charge for the period of confinement after the Emergency period has ended.

**SECTION 3.04. Annual Out of Pocket Maximum.** Each calendar year, after an Eligible Individual or family incurs the maximum out of pocket cost for Covered Expenses as specified

below in Subsection a., the Plan will pay 100% of Covered Expenses incurred during the remainder of that calendar year. Only Covered Expenses will be applied to the out of pocket maximum. Amounts not payable due to failure to comply with the Plan's pre-authorization requirements or amounts exceeding any Plan benefit limits or maximums will not be applied to the out of pocket maximum.

- a. The Annual Out of Pocket Maximum for Contract Providers is \$1,289 per person, not to exceed \$2,578 per family.
- b. There is no Annual Out of Pocket Maximum for Non-Contract Provider charges.
- c. The following expenses will not count toward the Out-of-Pocket maximum and will not be payable at 100% after the Out-of-Pocket maximum is reached:
  - (1) Amounts applied to the deductible.
  - (2) Any amounts exceeding the Plan limits for specific benefits, including the Plan limits for the following benefits: acupuncture, chiropractic services, hearing aids, hospice care, routine physical exam, Non-Contract ambulatory surgery facilities, inpatient Hospital facility services associated with single hip joint replacement or single knee joint replacement surgery, and specified surgical procedures performed in an outpatient Hospital setting.
  - (3) Any amount not covered due to failure to comply with the Plan's Utilization Review Program.

### **SECTION 3.05. Hospital and Facility Benefits.**

#### **a. Inpatient Services**

- (1) Utilization Review Requirement. If an Eligible Individual is to be confined in a Hospital or inpatient treatment Facility, the Physician or Hospital/Facility must obtain Pre-Admission Review by the Professional Review Organization (PRO) to determine the Medical Necessity of the Hospital or Facility confinement, and if Medically Necessary, the number of authorized days determined to be Medically Necessary for the confinement. Pre-Admission Review must be obtained prior to a non-emergency Hospital or Facility confinement. In the case of an emergency confinement, the Hospital/Facility or Physician must contact the PRO within 24 hours after admission. If Utilization Review is not obtained prior to admission or retroactively, benefits will be denied under SECTION 7.01.b.
- (2) Benefits are payable for charges made by the Hospital for room and board, operating rooms, Drugs, medical supplies and services provided during the confinement, including any professional component of the services, including the following:
  - (a) In a Non-Contract Hospital, a room with 2 or more beds, or the minimum charge for a 2-bed room in the Hospital if a higher priced room is used, or intensive care units when Medically Necessary. In a Contract Hospital, the contract rate is covered.
  - (b) In a Contract Hospital only, take home Drugs dispensed by the Hospital's pharmacy at the time of the Eligible Individual's discharge.
  - (c) In a Contract Hospital only, blood transfusions including the cost of unreplaced blood, blood products and blood processing. In a Non-Contract Hospital, blood transfusions but not the cost of blood, blood products and blood processing.

- (d) In a Contract Hospital only, transportation services during a covered inpatient stay.
  - (e) In a Contract Hospital only, routine newborn nursery charges.
- (3) A maximum of \$30,000 is payable for Hospital inpatient facility services associated with a single hip joint replacement or a single knee joint replacement surgery.
- b. Outpatient Hospital, Urgent Care Facility, provided that surgical facility services are in connection with surgery that is covered by the Plan. The maximum payable benefit listed below will apply to the following procedures when received in an outpatient Hospital setting:
  - (1) Colonoscopy - \$1,500
  - (2) Arthroscopy - \$6,000
  - (3) Cataract surgery - \$2,000
  - (4) Endoscopy - \$1,000
- c. Licensed Ambulatory Surgical Facility, provided that surgical facility services are in connection with surgery that is covered by the Plan. There is a daily maximum benefit of \$300 for all services received at a Non-Contract Ambulatory Surgical Facility.
- d. Skilled Nursing Facility. Benefits are provided up to a maximum of 70 days per Period of Confinement in a Skilled Nursing Facility, subject to the following:
  - (1) Services must be those which are regularly provided and billed by a Skilled Nursing Facility.
  - (2) The services must be consistent with the Illness, Injury, degree of disability and medical needs of the Eligible Individual, as determined by the PRO. Benefits are provided only for the number of days required to treat the Eligible Individual's Illness or Injury.
  - (3) The Eligible Individual must remain under the active medical supervision of a Physician. The Physician must be treating the Illness or Injury for which the Eligible Individual is confined in the Skilled Nursing Facility.
  - (4) A new Period of Confinement will begin after 90 days have elapsed since the last confinement in a Skilled Nursing Facility.

### **SECTION 3.06. Preventive Care Benefits**

- a. Routine Mammogram Benefit. Benefits are payable at the percentages described in SECTION 3.02 for a mammogram obtained as a diagnostic screening procedure, including digital mammography. Benefits are payable in accordance with the following schedule:
  - (1) For women age 35 through 39 – one baseline mammogram.
  - (2) For women age 40 and over – one mammogram every year.
- b. Routine Physical Examination Benefit – For the Retiree and Spouse Only, limited to one routine physical examination in any 12 month period.

If a Retiree or Dependent Spouse receives a routine physical examination by a Physician, benefits are payable at the percentages described in SECTION 3.02. This benefit includes all

laboratory tests and x-rays provided as part of the physical examination.

- c. Colonoscopy / Sigmoidoscopy. The Fund will pay benefits at the percentages described in SECTION 3.02 for colonoscopy and sigmoidoscopy examinations received by Retirees and Dependent Spouses who are considered at high risk for colon cancer, when recommended by a Physician. There is a maximum payable benefit of \$1,500 for a colonoscopy received in an outpatient Hospital setting.
- d. Health Dynamics. The Fund will pay 100% of fees, up to \$130 for screening services conducted by Health Dynamics.

### **SECTION 3.07. Covered Professional Services.**

- a. Services of a Physician.
- b. Services of a registered nurse, including:
  - (1) Services of a certified nurse midwife for obstetrical care during the prenatal, delivery and postpartum periods provided he or she is practicing under the direction and supervision of a Physician.
  - (2) Services of a licensed nurse practitioner, provided he or she is acting within the lawful scope of his/her license, the services are in lieu of the services of a Physician and the provider is performing services under the supervision of a duly licensed Physician, if supervision is required.
- c. Services of a licensed Physician Assistant, provided the services are performed under the supervision of a Physician, and subject to the following requirements:
  - (1) Covered services are limited to assistant-at-surgery, physical examinations, administering injections, minor setting of casts for simple fractures, interpreting x-rays and changing dressings.
  - (2) Services of the Physician Assistant must be billed under the tax identification number of the supervising Physician.
  - (3) Services must be of the type that would be considered Physician services if provided by an M.D. or D.O.
  - (4) For Non-Contract Providers only, Covered Expenses are limited as follows:
    - (i) For assistant-at-surgery services, 85% of the amount that otherwise would be allowed if the services were performed by a Physician serving as an assistant-at-surgery, or
    - (ii) For other covered services, 85% of the applicable Physician's Allowed Charge for services performed.
  - (5) For Contract Providers, Covered Expenses are limited to the Contract Provider negotiated rate.
- d. Contraception Related Services. Professional outpatient services related to contraception are covered on the same basis as other professional services, including but not limited to services in connection with obtaining or removing a prescription contraceptive device or implant.



- e. Services of a registered physical therapist provided the services are within standard medical practices and are prescribed by a Physician. Covered services do not include those services which are primarily educational, sports related, or preventive, such as physical conditioning, “back school” or exercise.
- f. Services of a Podiatrist.
- g. Services of a licensed speech therapist, but only for speech therapy that is provided to an Eligible Individual who had normal speech at one time and lost it due to an Illness or Injury.
- h. Services of a licensed optometrist, but only when providing Medically Necessary medical treatment to the eye that is not covered by the vision plan administered by Vision Service Plan.
- i. Acupuncture treatment provided by a licensed acupuncturist, subject to the following limitations:
  - (1) The amount paid by the Plan will not exceed a maximum payment of \$35 per visit.
  - (2) Benefits are limited to 20 visits per calendar year.
- j. Chiropractic services provided to a Participant or Dependent Spouse by a licensed Chiropractor, subject to the following limitations:
  - (1) The amount paid by the Plan will not exceed a maximum payment of \$25 per visit.
  - (2) Benefits are limited to 20 visits per calendar year.
  - (3) No benefits are payable for chiropractic services provided to Dependent children.
- k. On-line physician visits provided to a Participant or Dependent by a Contract Provider are payable at 100%, not to exceed a maximum payment of \$49 per appointment.

### **SECTION 3.08. Additional Covered Services and Supplies.**

- a. Licensed ambulance services for ground transportation to or from the nearest Hospital. Allowed Charges of a licensed air ambulance to or from the nearest Hospital are covered if the location and nature of the Illness or Injury made air transportation cost effective or necessary to avoid the possibility of serious complications or loss of life. Services provided by an Emergency Medical Technician (EMT) without subsequent emergency transport are paid in accordance with this Ambulance Services benefit.
- b. Diagnostic radiology and laboratory services subject to the following limitations:
  - (1) Services must be ordered by a Physician, including laboratory tests associated with diagnosing a viral illness.
  - (2) For the following outpatient diagnostic imaging services, the Physician must obtain pre-authorization from the Review Organization:
    - (a) CT/CTA
    - (b) MR/MRI
    - (c) Nuclear cardiology
    - (d) PET scan

- (e) Echocardiography
- c. Radiation therapy and chemotherapy.
- d. Artificial limbs or eyes.
- e. Medical equipment and supplies. Rental charges are covered if they do not exceed the Plan Allowed Charges or reasonable purchase price of the equipment. Benefits are payable only if the equipment or supply is:
  - (1) Ordered by a Physician;
  - (2) Of no further use when medical need ends;
  - (3) Usable only by the Patient;
  - (4) Not primarily for the comfort or hygiene of the Eligible Individual;
  - (5) Not for environmental control;
  - (6) Not for exercise;
  - (7) Manufactured specifically for medical use;
  - (8) Approved as effective and usual and customary treatment of a condition as determined by the PRO; and
  - (9) Not for prevention purposes.
- f. Contraceptive devices and implants that legally require the prescription of a Physician.
- g. Blood transfusions, including blood processing and the cost of unreplaced blood and blood products. Self-donated blood, limited to the Allowed Charges that would be charged if the blood were obtained from a blood bank.
- h. Dental Injury. Services of a Physician (M.D.) or Dentist (D.D.S.) treating an Injury to natural teeth. Services must be received within 6 months following the date of Injury (applied without respect to when the individual was enrolled in the Plan). Damage to teeth due to chewing or biting is not covered under this benefit.
- i. Organ Transplants. The Fund will cover Covered Expenses incurred by the organ donor and the organ recipient when the organ recipient is an Eligible Individual. Covered Expenses in connection with the organ transplant include patient screening, organ procurement and transportation of the organ, surgery and Hospital charges for the recipient and donor, follow-up care in the home or a Hospital and immunosuppressant Drugs, subject to the following conditions and limitations:
  - (1) The transplantation is not considered an Experimental or Investigative Procedure as that term is described in SECTION 7.01.w;
  - (2) Anthem precertification rules are satisfied;
  - (3) The services provided must be approved by the Fund's PRO;

- (4) The recipient of the organ is an Eligible Individual under the Plan; and
- (5) Benefits payable for an organ donor who is not an Eligible Individual will be reduced by any amounts paid or payable by that donor's own health coverage.

In no case will the Plan cover expenses for transportation of the donor, surgeons or family members.

j. Home Health Care. Benefits are provided in accordance with Subsections (1) and (2) below:

- (1) Covered Expenses include:
  - (a) Services of a registered nurse.
  - (b) Services of a licensed therapist for physical therapy, occupational therapy and speech therapy.
  - (c) Services of a medical social service worker.
  - (d) Services of a health aid who is employed by (or contracted with) a Home Health Agency. Services must be ordered and supervised by a registered nurse employed by the Home Health Agency as a professional coordinator.
  - (e) Necessary medical supplies provided by the Home Health Agency.
- (2) Conditions of Service:
  - (a) The Eligible Individual must be confined at home under the active medical supervision of a Physician ordering home health care and treating the Illness or Injury for which that care is needed.
  - (b) Services must be provided and billed by the Home Health Agency.
  - (c) Services must be consistent with the Illness, Injury, degree of disability and medical needs of the Patient. Benefits are provided only for the number of days required to treat the Eligible Individual's Illness or Injury.
  - (d) Allowed Specialty Drugs are provided by the Prescription Drug Benefits and are not covered under this Home Health Care benefit. Please see Article 5 for information on Prescription Drug coverage for injectable, infusion and chemotherapy Drugs.

k. Hospice Care. If an Eligible Individual is terminally ill with a life expectancy of 6 months or less, benefits are payable for hospice care provided by an Approved Hospice Program, subject to the following conditions and limitations:

- (1) Covered services must be prescribed by a Physician and are limited to the following:
  - (a) Nursing services by a registered nurse (R.N.) or a licensed practical nurse (L.P.N.).
  - (b) Medical social services by a person with a Masters degree in social work.
  - (c) Home Health Aide services.
  - (d) Medical supplies normally used by Hospital inpatients and dispensed by the hospice agency.

- (e) Nutritional supplements such as diet substitutes administered intravenously or through hyperalimentation.
  - (f) Respite care, not to exceed 8 days.
- (2) Exclusions. No benefits will be provided for the following:
  - (a) Transportation.
  - (b) Services of volunteers.
  - (c) Food, clothing or housing.
  - (d) Services provided by household members, family, or friends.
  - (e) Services of financial or legal counselors.
- l. Substance Abuse Treatment. Inpatient treatment is subject to the Pre-admission review by the Utilization Review Program.
  - (1) Inpatient Treatment, including Residential Treatment. Contract Provider: After deductible, the Fund will pay 100% of contract rates for the first course of treatment and 90% of contract rates for subsequent treatment programs. Non-Contract Provider: After deductible, the Fund will pay 70% of the Allowed Charge
  - (2) Outpatient Treatment (in outpatient facilities or for outpatient office visits). Contract Provider: After deductible, the Fund will pay 100% of contract rates for the first course of treatment and 90% of contract rates for subsequent treatment programs. Non-Contract Provider: After deductible, the Fund will pay 70% of the Allowed Charge
  - (3) Emergency Room Care. Contract Provider: After deductible, the Fund will pay 90% of the contract rate. Non-Contract Provider: After deductible, the Fund will pay 90% of the Allowed Charge.
- m. Diabetes Instruction Programs, provided the program is recognized as an acceptable program by the American Diabetes Association.
- n. Mental Health Treatment. Inpatient treatment is subject to Pre-admission review by the Utilization Review Program. All benefits are paid the same as inpatient and outpatient medical treatment under the Plan.
- o. Non-Contract Providers who are not registered with Centers for Medicare & Medicaid Services (CMS) who provide out-patient services, subject to the following limitations:
  - (1) Services must be Medically Necessary
  - (2) The amount allowed by the Plan will not exceed a maximum of \$100 per appointment.
- p. Health Coaching. Coaching through the Trestle Tree program is payable at 100% for all services related to wellness and disease management.

**SECTION 3.09. Extension of Benefits Upon Termination.** An Eligible Individual who is receiving Plan benefits for inpatient Hospital or Skilled Nursing Facility care, or for services of a Home Health Agency, on the date coverage ends due to loss of eligibility, will continue to receive benefits for that care until the Individual is discharged from the Hospital or Skilled Nursing Facility, or completes the covered home health care.

## **ARTICLE 4. HEARING AID BENEFITS FOR MEDICARE AND NON-MEDICARE ELIGIBLE INDIVIDUALS**

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**SECTION 4.01.** Upon certification by a Physician that an Eligible Individual has a hearing loss, and that the loss may be lessened by the use of a hearing aid, the Fund will, subject to the provisions of the Plan, pay 100% of the Allowed Charges incurred, up to a maximum payment of \$800 per ear, for the examination, the hearing aid and any repairs and servicing. This is the maximum benefit payable in any 3-year period for all expenses related to hearing aids.

**SECTION 4.02. Exclusions.** No benefits will be provided for:

- a. A hearing examination without a hearing aid being obtained;
- b. The replacement of a hearing aid for any reason more often than once during any 3-year period;
- c. Batteries or any other ancillary equipment other than that obtained upon the purchase of the hearing aid;
- d. Expenses incurred for which the individual is not required to pay;
- e. Hearing aids for participants enrolled in the Kaiser Foundation Health Plan.

## **ARTICLE 5. PRESCRIPTION DRUG BENEFITS FOR NON-MEDICARE ELIGIBLE INDIVIDUALS**

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**SECTION 5.01. Benefits.** If prescription medicines (or insulin) are prescribed by a Physician and dispensed by a Participating Pharmacy for an Eligible Individual, the Fund will pay the Covered Expenses incurred after the Eligible Individual pays the required Copayment specified below (please note certain drugs are not covered and/or need prior authorization):

- a. Retail Pharmacy, for each 30-day supply, the Copayment is:
  - (1) Formulary Generic Drug - \$15.
  - (2) Multi-Source Brand Name Drug - \$15 plus the difference in cost between the generic and brand name Drugs.
  - (3) Single Source Formulary Brand Name Drug - \$53.
  - (4) Non-Formulary Drug - \$80, provided the Drug has been prior authorized or does not require prior authorization.
- b. Mail Order Pharmacy, for each 90-day supply, the Copayment is:
  - (1) Formulary Generic Drug - \$26.

- (2) Multi-Source Brand Name Drug - \$26 plus the difference in cost between the generic and brand name Drug.
  - (3) Single Source Formulary Brand Name Drug - \$106.
  - (4) Non-Formulary Drug, \$133, provided the Drug has been prior authorized or does not require prior authorization.
- c. Any Non-Formulary Drugs on the Pharmacy Benefit Manager's Selective Prior Authorization List are not covered without prior authorization by the Pharmacy Benefit Manager.
  - d. Prescription drug coverage for Medicare Eligible Individuals will be administered by the Plan's Pharmacy Benefit Manager in accordance with the Center for Medicare & Medicaid Services (CMS) Employer Group Waiver Plan (EGWP) requirements. The prescription drug benefits described in this Article 5 do not apply to Medicare Eligible Individuals.
  - e. Exception to Brand Name Drug Copayments for New Brand Name Drugs: For any new Brand Name Drug approved by the federal Food and Drug Administration (FDA) after June 1, 2012, including injectable and infusion Drugs, the Copayment is 50% of the cost of the Drug for a minimum of 24 months after the Drug has been approved. Subject to approval by the Board of Trustees, a new Brand Name Drug may be moved to the Copayment levels described in paragraphs (2) through (4) of Subsections a. and b. above prior to the expiration of 24 months. If the Pharmacy Benefit Manager's Pharmacy and Therapeutics committee determines that the new FDA approved Drug is a "must not add" Drug, the Copayment will remain at 50% of the cost of the Drug indefinitely.
  - f. Prior Approval for Proton Pump Inhibitors (PPIs) and Cholesterol drugs: Brand Name PPIs and Cholesterol drugs are subject to prior approval by the Pharmacy Benefit Manager. If prior approval is not obtained by the prescribing Physician, no benefits are payable by the Plan. If prior approval is received before a prescription is filled for a Brand Name PPI or Cholesterol drug, the Copayment level for Multi-Source Brand Name Drugs as described in paragraphs (2) of Subsections a. and b. above will apply. Participants are required to utilize the Pharmacy Benefit Manager's defined step therapy before the Plan will pay benefits for Brand Name PPIs and Cholesterol drugs.

**SECTION 5.02. Covered Expenses.** Covered Expenses include the following Drugs and Supplies provided by a Licensed Pharmacist, Physician or Hospital:

- a. Drugs prescribed by a Physician licensed by law to administer Drugs.
- b. Insulin and Medically Necessary diabetic supplies. Pen products for insulin administration (except for pre-filled syringes) are covered in the following circumstances only and subject to prior authorization by the Pharmacy Benefit Manager:
  - (1) Eligible Individuals who are visually impaired or have some physical impairment that prevents them from using an insulin vial and syringe.
  - (2) Eligible Individuals who need an intensive insulin regimen that requires them to inject insulin at least three times per day and monitor their blood sugar at least twice a day.
  - (3) Dependents under age 19.
  - (4) Participants who need to inject at work.

- c. Drugs, insulin or Medically Necessary diabetic supplies (1) which are supplied to the Patient in the Physician's office, and (2) for which a charge is made separately from the charge for any other item of expense.
- d. Charges made by a Hospital for Drugs, insulin or Medically Necessary diabetic supplies, which are for use outside the Hospital in connection with treatment received in the Hospital, provided that with respect to Drugs, they are prescribed by a Physician licensed by law to administer Drugs.
- e. Prenatal vitamins containing fluoride or folic acid.
- f. Specialty Drugs, as defined by the Pharmacy Benefit Manager, are subject to the following requirements:
  - (1) Specialty Drugs are available only from the Pharmacy Benefit Manager's Mail Order Pharmacy. Specialty Drugs will not be provided by a retail Participating Pharmacy and will not be covered by the Indemnity Medical Plan except for certain Drugs needed in an emergency situation; these Drugs are the low molecular weight heparin products that are used for blood clots and after hip replacement surgeries.
  - (2) Copayments and Supply Limit. The day supply limit for each prescription order is 30 days. The required Copayments are the Retail Pharmacy Copayments specified in SECTION 5.01.a.

**SECTION 5.03. Exclusions.** No benefits will be provided for:

- a. Drugs taken or administered while the Patient is Hospital confined.
- b. Patent or proprietary medicines which do not conform to the definition of "Drugs" set forth in SECTION 1.19 except insulin, insulin injection kits, and those items listed as "Covered Expenses" in SECTION 5.02.
- c. Appliances, devices, bandages, heat lamps, braces, splints, and other supplies or equipment.
- d. Vitamins (except prenatal vitamins containing fluoride or folic acid), cosmetics, dietary supplements, health and beauty aids.
- e. Charges for prescription drugs containing in excess of a 30-day supply for retail purchase, or in excess of a 90-day supply for drugs purchased through the Fund's mail order Drug program.
- f. Infertility drugs.
- g. Immunization agents, nose drops or other nasal preparations.
- h. Medications for smoking cessation.
- i. Appetite suppressants, or any other weight loss Drug.
- j. Drugs prescribed for hair growth or any medications prescribed for cosmetic purposes.
- k. Any drugs not Medically Necessary for the care or treatment of an Illness or Injury.
- l. Any drugs obtained at a Non-Participating Pharmacy if the Eligible Individual resides within 10 miles of a Participating Pharmacy.

- m. Replacement Drugs resulting from loss, theft or breakage.
- n. Prescription refills dispensed after 1 year from original date of dispensing.
- o. Injectable sexual dysfunction Drugs. Other sexual dysfunction Drugs are limited in the quantity covered.
- p. Medications with no federal Food and Drug Administration (FDA) approved indications. Off label use of prescriptions (for an indication other than described in the FDA approved drug label) will be allowed if prior approval is first obtained from the Pharmacy Benefit Manager.
- q. Medications used for Experimental indications and/or dosage regimens determined to be Experimental or Investigational; any Investigational or unproven Drugs or therapies.
- r. The third purchase of a long-term maintenance Drug from a retail pharmacy. After the second purchase of long-term maintenance Drug at a retail pharmacy, the Drug must be purchased from the Pharmacy Benefit Manager's mail order pharmacy.
- s. Provided that notice is issued by the Plan to an Eligible Individual, a single pharmacy may be designated as the sole provider to dispense one or more prescription drug class(es) to a Participant and/or Dependent. Medications dispensed by pharmacies other than named in such notice are excluded.
- t. Compound dermatologist preparations prescribed by a Physician.

**SECTION 5.04. Definitions.** For purposes of this Article, the following definitions will apply:

- a. Participating Pharmacy. The term "Participating Pharmacy" means a pharmacy which has a contract with the Fund's pharmacy benefit manager to provide prescription drugs to Eligible Individuals.
- b. Non-Participating Pharmacy. The "Non-Participating Pharmacy" means a pharmacy which does not have a contract with the Fund's pharmacy benefit manager to provide prescription drugs to Eligible Individuals.
- c. "Formulary" means the list of preferred Drugs established by the pharmacy benefit manager contracted by the Fund.
- d. "Multi-Source Brand Name Drug" means a brand name Drug that has a generic equivalent.
- e. "Single Source Formulary Brand Name Drug" means a brand name Drug that does not have a generic equivalent and is on the Formulary.

## **ARTICLE 6. MEDICARE SUPPLEMENTAL BENEFITS FOR RETIREES AND DEPENDENTS ELIGIBLE FOR MEDICARE**

The Medicare Supplemental Benefits under this Article are payable after the Eligible Individual has satisfied a \$128 deductible amount for the calendar year.

**SECTION 6.01. Hospital Benefits.** If an Eligible Individual who is Eligible for Medicare is confined in a Hospital and benefits are payable by Medicare for the confinement, the Plan will pay



an amount equal to the Medicare Part A Deductible for the first 60 days of each Medicare benefit period.

**SECTION 6.02. Supplemental Medical Benefits for Other than Outpatient Hospital or Facility Services.** If an Eligible Individual receives medical treatment, medical services or supplies of the type for which benefits are provided by Part B of Medicare, the Fund will pay, either:

- a. 20% of the covered Medicare maximum allowable charge incurred if the provider does not accept the Medicare assignment of benefits; or
- b. 20% of Medicare's allowable charges if the provider does accept the Medicare assignment of benefits.
- c. 20% of the Contract Provider negotiated rate, if less than the Medicare allowable charge (California Contract Providers only).

**SECTION 6.03. Supplemental Medical Benefits for Outpatient Hospital or Facility Services.**

If an Eligible Individual receives outpatient medical or surgical treatment in a Hospital or Facility of the type for which benefits are provided by Part B of Medicare, the Fund will pay the remainder of the Medicare allowable charge for the Hospital or Facility charge after Medicare's payment.

**SECTION 6.04. Supplemental Medical Benefits For individuals Who Have Entered Into a Private Contract with a Provider Not Participating in Medicare.**

If an Eligible Individual enters into a private contract with a health care provider who is not participating in Medicare and who is therefore prohibited from billing Medicare for services provided to Medicare beneficiaries, the Fund's benefits under SECTION 6.02.a. will be limited to 20% of the amount Medicare would have allowed if the provider was a Medicare participating provider.

**SECTION 6.05. Prescription Drug Benefits for Medicare Eligible Individuals**

- a. Individual Deductible amount for covered prescriptions is \$360 per calendar year.
- b. In the Medicare Part D Initial Coverage Stage:
  - (1) Generic Drugs:
    - (a) \$10 copayment per prescription for up to a 31-day supply when filled at a retail network pharmacy.
    - (b) \$20 copayment per prescription for up to a 90-day supply when filled by mail order pharmacy.
  - (2) Formulary Brand Drugs:
    - (a) \$40 copayment per prescription for up to a 31-day supply when filled at a retail network pharmacy.
    - (b) \$80 copayment per prescription for up to a 90-day supply when filled by mail order pharmacy.
  - (3) Non-Formulary Brand Drugs:
    - (a) \$60 copayment per prescription for up to a 31-day supply when filled at a retail network pharmacy.
    - (b) \$120 copayment per prescription for up to a 90-day supply when filled by mail order pharmacy.

(4) Specialty Drugs:

25% patient coinsurance (adjusted annually in accordance with Part D coverage rules)

c. In the Medicare Part D Coverage Gap Stage:

	Patient Coinsurance for Generic Drugs	Patient Coinsurance for Brand Drugs
<b>2016</b>	58%	45%
<b>2017</b>	51%	40%
<b>2018</b>	44%	35%
<b>2019</b>	37%	30%
<b>2020 and after</b>	25%	25%

d. In the Medicare Part D Catastrophic Coverage Stage:

(1) Generic Drugs:

Copayment amount determined by Part D Medicare (\$2.95 copayment in 2017) or 5% of the total cost of the drug, not to exceed the Initial Coverage Stage copayment.

(2) Brand Drugs:

Copayment amount determined by Part D Medicare (\$7.40 copayment in 2017) or 5% of the total cost of the drug, not to exceed the Initial Coverage Stage copayment.

e. Excluded Drugs:

The Fund will not provide benefits for Medicare Part D excluded drugs or classes of drugs.

## **ARTICLE 7. EXCLUSIONS, LIMITATIONS AND REDUCTIONS**

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**SECTION 7.01. Excluded Expenses.** The Fund will not provide benefits for:

- a. Any amounts in excess of Allowed Charges or any services not considered to be customary and reasonable.
- b. Services not specifically listed in this Plan as covered services, or those services which are not Medically Necessary.
- c. Services for which the Eligible Individual is not legally obligated to pay. Services for which no charge is made to the Eligible Individual. Services for which no charge is made to the Eligible Individual in the absence of insurance or other indemnity coverage, except services received at a non-governmental charitable research Hospital which must meet the following guidelines:
  - (1) It must be internationally known as being devoted mainly to medical research;

- (2) At least 10% of its yearly budget must be spent on research not directly related to Patient care;
  - (3) At least one-third of its gross income must come from donations or grants other than gifts or payments for Patient care;
  - (4) It must accept patients who are unable to pay; and
  - (5) Two-thirds of its patients must have conditions directly related to the Hospital's research.
- d. Work-related Illness or Injury. The Plan will, however, pay benefits on behalf of an Eligible Individual who has incurred an occupational Injury or Illness on the following conditions:
- (1) The Eligible Individual signs an agreement to diligently prosecute his/her claim for workers' compensation benefits or for any other available occupational compensation benefits;
  - (2) The Eligible Individual agrees to reimburse the Fund for benefits paid on his/her behalf by consenting to a lien against any occupational compensation benefits received through adjudication, settlement or otherwise; and
  - (3) The Eligible Individual cooperates with the Fund or its designated representative by taking reasonably necessary steps to secure reimbursement, through legal action or otherwise, for any benefits paid for the Eligible Individual's occupational Injury or Illness.
- e. Conditions caused by or arising out of an act of war or armed invasion.
- f. Services rendered while an Eligible Individual is confined in a Hospital operated by the United States Government or an agency of the United States Government except that the Plan, to the extent required by law, will reimburse a Veterans Administration (VA) Hospital for care of a non-service related disability if the Plan would normally cover the care if the VA were not involved.
- g. Routine nursery care of a newborn Dependent child furnished in a Non-Contract Facility.
- h. Services furnished by a naturopath or any other provider not meeting the definition of Physician.
- i. Professional services received from a registered nurse or physical therapist who lives in the Eligible Individual's home or who is related to the Eligible Individual by blood or marriage.
- j. Custodial Care or rest cures. Services provided by a rest home, a home for the aged, a nursing home or any similar facility.
- k. Educational services, supplies or equipment, including, but not limited to computers, computer devices/software, printers, books, tutoring or interpreters, visual aids, vision therapy, auditory or speech aids/synthesizers, auxiliary aids such as communication boards, listening systems, device/programs/services for behavioral training including intensive intervention programs for behavior change and/or developmental delays or auditory perception or listening/learning skills, programs/services to remedy or enhance concentration, memory, motivation, reading or self-esteem, etc., special education and associated costs in conjunction with sign language

education for a patient or family members, and implantable medical identification/tracking devices.

- l. Dental plates, bridges, crowns, caps or other dental prostheses, dental services, extraction of teeth or treatment to the teeth or gums other than for tumors, except as specifically provided under SECTION 3.08.h.
- m. Services of an Optometrist except as specifically provided in SECTION 3.07.h., vision therapy including orthoptics, routine eye exams and routine eye refractions. Eyeglasses and contact lenses. Any surgery for correction of myopia or any other refractive eye surgery.
- n. Cosmetic surgery or other services for beautification, except to correct functional disorders or for conditions resulting from an Injury or reconstructive surgery following a mastectomy.
- o. Orthopedic shoes (except when joined to braces) or shoe inserts (except for custom-made orthotics), air purifiers, air conditioners, humidifiers, exercise equipment and supplies for comfort, hygiene or beautification.
- p. Services for which benefits are payable under any other programs provided by the Fund.
- q. In addition to any other limitations generally applicable to this Plan or its coordination of benefit provisions, where this Plan, as secondary is coordinating benefits with another plan which has entered into a preferred provider agreement with a medical or hospital provider, this Plan will pay no more than the difference between:
  - (1) The lesser of:
    - (a) The normal charges billed for the expenses by the provider, or
    - (b) The contractual rate for that expense under a preferred provider agreement between the provider and the plan that this Plan is coordinating with, and
  - (2) The amount that the other plan pays as primary.
- r. Nutritional counseling or food supplements or substitutes, except as specifically provided in SECTION 3.08.m.
- s. Speech therapy or occupational therapy (except for a person who had normal speech at one time but lost it due to Illness or Injury or rehabilitation treatment following a stroke or injury).
- t. Expenses for the treatment of infertility along with services to induce pregnancy and complications resulting from those services, including, but not limited to: services, prescription drugs, procedures or devices to achieve fertility, in vitro fertilization, low tubal transfer, artificial insemination, embryo transfer, gamete transfer, zygote transfer, surrogate parenting, donor egg/semen or other fees, cryostorage of egg/sperm, adoption, ovarian transplant, infertility donor expenses, fetal implants, fetal reduction services, surgical impregnation procedures and reversal of sterilization.
- u. Hypnotism, biofeedback, stress management, and any goal oriented behavior modification therapy, such as to quit smoking, lose weight, or control pain.
- v. Non-surgical services which are primarily for weight loss.

- w. Any services and supplies in connection with Experimental or Investigational Procedures. For purposes of this Exclusion, the term Experimental or Investigational Procedures means a drug or device, medical treatment or procedure if:
- (1) the drug or device cannot be lawfully marketed without approval of the United States Food and Drug Administration and approval for marketing has not been given at the time the drug or device is furnished;
  - (2) the drug, device, medical treatment or procedure, or the Patient informed consent document utilized with the drug, device, treatment or procedure, was reviewed and approved by the treating facility's Institutional Review Board or other body serving a similar function, or if federal law requires such review or approval;
  - (3) Reliable Evidence shows that the drug, device, medical treatment or procedure is the subject of ongoing phase I or phase II clinical trials, is the research, experimental, study or investigational arm of ongoing phase III clinical trials, or is otherwise under study to determine its maximum tolerated dose, its toxicity, its safety, its efficacy or its efficacy as compared with a standard means of treatment or diagnosis; or
  - (4) Reliable Evidence shows that the prevailing opinion among experts regarding the drug, device, medical treatment or procedure is that further studies or clinical trials are necessary to determine its maximum tolerated dose, its toxicity, its safety, its efficacy or its efficacy as compared with a standard means of treatment or diagnosis.

For purposes of this Exclusion, "Reliable Evidence" will mean only published reports and articles in peer reviewed authoritative medical and scientific literature; the written protocol or protocols used by the treating facility or the protocol(s) of another facility studying substantially the same drug, device, medical treatment or procedure; or the written informed consent used by the treating facility or by another facility studying substantially the same drug, device, medical treatment or procedure.

- x. Claims submitted more than 12 months from the date of service.
- y. Illness, Injury, disease or other condition for which a third party (or parties) is or may be liable or legally responsible by reason of an act, omission, or insurance coverage of that third party or parties unless an Eligible Individual complies with SECTION 7.02.
- z. Services that are habilitative in nature.
- aa. Reimbursement for percentage of the amount that would have been payable in accordance with Medicare allowable payments for expenses from Non-Contract Hospital, Non-Contract Facility and other Non-Contract providers who did not complete enrollment in the Medicare program or did not submit an affidavit to Medicare expressing their decision to opt-out of the Medicare program, except as otherwise expressly provided.

## **SECTION 7.02. Third Party Liability.**

- a. If an Eligible Individual has an Illness, Injury, disease or other condition for which a third party (or parties) is or may be liable or legally responsible by reason of an act, omission, or insurance coverage of that third party or parties (hereinafter referred to collectively as “responsible third party”), the Fund shall not be liable to pay any benefits. However, upon the execution and delivery to the Fund of all documents it requires to secure the Plan’s right of reimbursement, including without limitation a Reimbursement Agreement, the Fund may pay benefits on account of Hospital, medical or other expenses in connection with, or arising out of, such Illness, Injury, disease or other condition. The Fund shall have all rights as set forth herein.
- b. The Fund shall be reimbursed first, before any other claims, for 100% of benefits paid by the Fund from any recovery received by way of judgment, arbitration award, verdict, settlement or other source by the Eligible Individual or by any other person or party for the Eligible Individual, pursuant to such Illness, Injury, disease or other condition, including recovery from any under-insured or uninsured motorist coverage or other insurance, even if the judgment, verdict, award, settlement or any recovery does not make the Eligible Individual whole or does not specifically include medical expenses. The Fund shall be reimbursed from said recovery without any deduction for legal fees incurred or paid by the Eligible Individual. The Eligible Individual and/or his or her attorney must promise not to waive or impair any of the rights of the Fund without written consent. In addition, the Fund shall be reimbursed for any legal fees incurred or paid by the Fund to secure reimbursement of said benefit paid by the Fund.
- c. If the Fund pays any benefits because of such Illness, Injury, disease or other condition, the Fund shall also have an automatic lien and/or constructive trust on that portion of any recovery obtained by the Eligible Individual or by any other person or party for the Eligible Individual, for such Illness, Injury, disease or other condition which is due for said benefits paid by the Fund, even if the judgment, verdict, award, settlement or any recovery does not make the Eligible Individual whole or does not specifically include medical expenses. Such lien may be filed with the Eligible Individual, his or her agent, insurance company, any other person or party holding said recovery for the Eligible Individual, or the court; and such lien shall be satisfied from any recovery received by the Eligible Individual, however classified, allocated, or held.
- d. If reimbursement is not made as specified, the Fund, at its sole option, may take any legal and/or equitable action to recover the amount that was paid for the Eligible Individual’s Illness, Injury, disease or other condition (including any legal expenses incurred or paid by the Fund) and/or may offset future benefits payments by the amount of such reimbursement (including any legal fees incurred or paid by the Fund). The Fund, at its sole option, may cease paying benefits, if there is a reasonable basis to determine that the Eligible Individual will not honor the terms of the Plan, or there is a reasonable basis to determine that this Section is not enforceable.
- e. By accepting benefits from the Fund, the Eligible Individual further agrees:
  - (1) To prosecute any claim for damages diligently;
  - (2) To promptly advise the Fund whenever a claim is made against the responsible third party with respect to any loss for which Fund benefits have been or will be paid because of an Illness, Injury, disease or other condition caused by the responsible third party;

- (3) The Fund's reimbursement rights shall be considered as a first priority claim against another person or entity, to be reimbursed before any other claims, including claims for general damages;
  - (4) To cooperate and assist the Fund in obtaining reimbursement for payments made, and to refrain from any act or omission that might hinder any reimbursement;
  - (5) To provide the Fund with all relevant information or documents requested;
  - (6) To consent to the lien and/or constructive trust that shall exist in favor of the Fund upon all funds recovered by the Eligible Individual against the responsible third party;
  - (7) To hold proceeds of any settlement, verdict, judgment or other recovery in trust for the benefit of the Fund, and that the Fund shall be entitled to recover reasonable attorney's fees incurred in collecting reimbursement of benefits due;
  - (8) To execute any documents necessary to secure reimbursement;
  - (9) Not to assign any rights or cause of action that the Eligible Individual may have against the responsible third party to recover medical expenses without the express written consent of the Fund;
  - (10) The Fund has the right to intervene, independently of the Eligible Individual, in any legal action brought against the third party or any insurance company, including the Eligible Individual's own carrier for uninsured motorists' coverage;
  - (11) The Fund's right of first reimbursement will not be affected, reduced or eliminated by the make whole doctrine, comparative fault or regulatory diligence or the common fund doctrine;
  - (12) It will constitute an immediate breach of the agreement and a failure to comply with the terms of the Plan, if, within 30 days following recovery from the responsible third party or insurer, the Eligible Individual does not agree to reimburse the Fund pursuant to this SECTION 7.02, and pay the reimbursement amount. If the Eligible Individual breaches the agreement and/or fails to comply with this SECTION 7.02, the amount of benefits paid by the Fund which are related to the Injury, Illness, disease or other condition will become immediately due and payable together with interest, and all costs of collection, including reasonable attorney fees and court costs.
- f. If the Eligible Individual does not receive any payment from a third party to reimburse for the Illness, Injury, disease or other condition caused by the responsible third party, the Eligible Individual does not have to reimburse the Fund for any benefits properly paid to the Eligible Individual. If the Eligible Individual receives payment from the responsible third party, the Eligible Individual does not have to pay the Fund more than the amount the responsible third party paid to the Eligible Individual.

**SECTION 7.03. Coordination of Benefits.** If an Eligible Individual is entitled to benefits from another Group Plan for Hospital or medical expenses for which benefits are also due from this Plan, then the benefits provided by the Plan will be paid in accordance with the following provisions, not to exceed the dollar amount of benefits which would have been paid in the absence of other group coverage or 100% of the expenses actually incurred by the Eligible Individual.

- a. The benefits of the plan that covers the person as a participant, employee or subscriber are always determined before the benefits of a plan covering the person as a dependent (except

when Medicare Secondary Payer provisions apply). This provision applies to any Dependent child who is covered under another plan as a participant, employee or subscriber and supersedes any other provisions of this SECTION 7.03 regarding Dependent children.

- b. If the Eligible Individual is the Dependent Spouse of a Retiree, Fund benefits will be paid for eligible expenses not covered by the other Group Plan.
- c. If the Eligible Individual for whom claim is made is a Dependent child whose parents are not separated or divorced, or whose parents are divorced and have joint custody, the benefits of the Group Plan which covers the Eligible Individual as a Dependent child of a parent whose date of birth, excluding year of birth, occurs earlier in the calendar year, will be determined before the benefits of the Group Plan which covers the Eligible Individual as a Dependent child of a parent whose date of birth, excluding year of birth, occurs later in the calendar year. If either Group Plan does not have the provisions of this rule c. regarding Dependents, which results either in each Group Plan determining its benefits before the other or in each Group Plan determining its benefits after the other, the provisions of this rule will not apply, and the rule set forth in the Plan which does not have the provisions of this rule c. will determine the order of benefits.
- d. In the case of an Eligible Individual for whom claim is made as a Dependent child whose parents are separated or divorced and the parent with custody of the child has not remarried, the benefits of a Plan which covers the child as a dependent of the parent with custody of the child will be determined before the benefits of a Plan which covers the child as a dependent of the parent without custody.
- e. In the case of an Eligible Individual for whom claim is made as a Dependent child whose parents are divorced and the parent with custody of the child remarried, the benefits of a Plan which covers the child as a dependent of the parent with custody will be determined before the benefits of a Plan which covers that child as a dependent of the stepparent, and the benefits of a Plan which covers that child as a dependent of the stepparent will be determined before the benefits of a Plan which covers that child as a dependent of the parent without custody.
- f. In the case of an Eligible Individual for whom claim is made as a Dependent child whose parents are separated or divorced, where there is a court decree which would otherwise establish financial responsibility for the medical, dental or other health care expenses with respect to the child, then, notwithstanding rules d. and e. above, the benefits of a Plan which covers the child as a dependent of the parent with the financial responsibility will be determined before the benefits of any other Plan which covers the child as a dependent child.
- g. When rules a., b., c., d., e., or f. do not establish an order of benefit determination, Fund benefits will be provided without reduction if the Eligible Individual has been eligible continuously for benefits from this Fund for a longer period of time than he or she has been continuously eligible for benefits from the other Group Plan, provided that:
  - (1) the benefits of a Group Plan covering the Eligible Individual on whose expenses claim is based as a laid-off or retired employee, or Dependent of that person, will be determined after the benefits of any other Group Plan covering the person as an active employee, other than a laid-off or retired employee, or Dependent of the active employee; and
  - (2) if either Group Plan does not have a provision regarding laid-off or retired employees, which results in each Group Plan determining its benefits after the other, then the provision (1) above will not apply.
- h. **Coordination With Prepaid Plans.** Regardless of whether this Plan may be considered



primary or secondary under its coordination of benefits provisions, in the event an Eligible Individual (i) has coverage under the indemnity portion of this Plan, and (ii) has coverage under a prepaid program under another Group Plan (regardless of whether the Eligible Individual must pay a portion of the premium for that plan), and (iii) uses the prepaid program for services also covered by this Plan, then this Plan will only reimburse the copayments required of the Eligible Individual under the pre-paid plan, and only if the co-payments are required of every person covered by that program. Except for the copayments specified above, the Plan will not pay expenses of eligible employees or dependents covered by prepaid programs of other plans. For purposes of this Plan, the term “prepaid program” will include health maintenance organizations, individual practice associations, and any other programs that the Board in its sole discretion deems to be essentially similar to these prepaid arrangements.

- i. **Coordination with Preferred Provider Plans.** Where this Plan, as secondary, is coordinating benefits with another plan which has entered into a preferred provider agreement with a medical or Hospital provider, this Plan will pay no more than the difference between:
  - (1) The lesser of:
    - (a) The normal charges billed for the expenses by the provider, or
    - (b) The contractual rate for the expense under a preferred provider agreement between the provider and the plan that this Plan is coordinating with, and
  - (2) The amount that the other plan pays as primary.

**SECTION 7.04. Coordination with Medicaid.** Payments by this Plan for benefits with respect to an Eligible Individual will be made in compliance with any assignment of rights made by or on behalf of the Eligible Individual as required by California’s plan for medical assistance approved under Title XIX, Section 1912(a)(1)(A) of the Social Security Act (Medicaid).

Where payment has been made by the State under Medicaid for medical assistance in any case where this Plan has a legal liability to make payment for that assistance, payment for the benefits will be made in accordance with any State law which provides that the State has acquired the rights with respect to an Eligible Individual to the payment for that assistance. In no event will payment be made by this Plan, under this provision, for claims submitted more than one year from the date expenses were incurred. Reimbursement to the State, like any other entity which has made payment for medical assistance where this Plan has a legal liability to make payment, will be equal to Plan benefits or the amount actually paid, whichever is less.

## **ARTICLE 8. GENERAL PROVISIONS**

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### **SECTION 8.01.**

- a. All benefits will be paid by the Fund to the Retiree as they accrue upon receipt of written proof, satisfactory to the Fund, covering the occurrence, character and extent of the event for which the claim is paid. The Board of Trustees has the exclusive right and discretion to construe and interpret the Plan and is the sole judge of the standard of proof required in any claim and in the application and interpretation of the Plan. Any dispute as to the eligibility, type, amount or duration of benefits or any right or claim to payments from the Fund will be resolved by the Board or its duly authorized designee under and pursuant to the provisions of the Plan and the Trust Agreement and, its decision is final and binding upon all parties subject only to judicial review as may be in harmony with federal labor law.

- b. Proof of claim forms, as well as other forms, and method of administration and procedure will be solely determined by the Fund.

## **SECTION 8.02.**

- a. Except to the extent otherwise specifically provided in Subsections b. and c. of this Section or elsewhere in the Plan, each Retiree, Dependent or other beneficiary is restrained from selling, transferring, anticipating or otherwise disposing of any benefit payable under the Plan, or any other right or interest under the Plan, and the Fund will not be required to recognize the sale, transfer anticipation, assignment, alienation, hypothecation or other disposition. Any such benefit, right or interest will not be subject in any manner to voluntary transfer or transfer by operation of law or otherwise, and will be exempt from the claims of creditors or other claimants and from all orders, decrees, garnishments, executions or other legal process or proceedings to the fullest extent permitted by federal law.
- b. Any Retiree may direct that benefits due to them be paid to an institution in which the Retiree or his/her Dependent is hospitalized, or to any provider of medical, drug, dental or other health services or supplies in consideration for Hospital, medical or other services rendered, or supplies furnished, or to any other agency that may have provided or paid for, or agreed to provide or pay for, any benefits provided.
- c. In the event that through mistake or any other circumstance, a Retiree, Dependent or other beneficiary has been paid or credited with more than he or she is entitled to under the Plan or under the law or has become obligated to the Fund under an indemnity agreement or a third party liability agreement or in any other way, the Fund may set off, recoup and recover the amount of the overpayment, excess credit or obligation from benefits accrued or thereafter accruing to the Retiree, Dependent or beneficiary, and not yet distributed, in any installments and to the extent determined by the Board.

**SECTION 8.03.** Benefits will be paid by the Fund only if notice of claim is made within ninety days from the date on which Covered Expenses were first incurred unless it will be shown by the Retiree not to have been reasonably possible to give notice within this time limit, but in no event will benefits be allowed if notice of claim is made beyond one year from the date on which expenses were incurred.

**SECTION 8.04.** In the event the Fund determines that the Retiree is incompetent or incapable of executing a valid receipt and no guardian has been appointed, or in the event the Retiree has not provided the Fund with an address at which he/she can be located for payment, the Fund may during the lifetime of the Retiree, pay any amount otherwise payable to the Retiree to the husband or wife or relative by blood of the Retiree, or to any other person or institution determined by the Fund to be equitably entitled to payment.

In the case of the death of the Retiree before all amounts payable under the Plan have been paid, the Fund may pay this amount to any person or institution determined by the Fund to be equitably entitled to payment. The remainder of any amount owing will be paid to one or more of the following surviving relatives of the Retiree: Spouse, child or children, mother, father, brothers or sisters, or to the Retiree's estate, as the Board in its sole discretion may designate. Any payment in accordance with this provision will discharge the obligation of the Fund.

## **SECTION 8.05. Claims and Appeals Procedures.**

### **a. Definitions.**

- (1) Adverse Benefit Determination. An "Adverse Benefit Determination" is any denial,

reduction, termination of or failure to provide or make payment for a benefit (either in whole or in part) under the Plan. Each of the following is an example of an Adverse Benefit Determination:

- (a) a payment of less than 100% of a Claim for benefits (including coinsurance or copayment amounts of less than 100% and amounts applied to the deductible);
- (b) a denial, reduction, termination of or failure to provide or make payment for a benefit (in whole or in part) resulting from any utilization review decision;
- (c) a failure to cover an item or service because the Fund considers it to be experimental, investigational, not Medically Necessary or not medically appropriate;
- (d) a decision that denies a benefit based on a determination that a claimant is not eligible to participate in the Plan.

Presentation of a prescription order at a pharmacy, where the pharmacy refuses to fill the prescription unless the claimant pays the entire cost, is not considered an Adverse Benefit Determination (but only to the extent that the pharmacy's decision for denying the prescription is based on coverage rules predetermined by the Fund).

- (2) Claim. The term "Claim" means a request for a benefit made by an individual in accordance with the Fund's reasonable procedures.

Casual inquiries about benefits or the circumstances under which benefits might be paid are not considered Claims. Nor is a request for a determination of whether an individual is eligible for benefits under the Plan considered to be a Claim. However, if a claimant files a Claim for specific benefits and the Claim is denied because the individual is not eligible under the terms of the Plan, that coverage determination is considered a Claim.

The presentation of a prescription order at a pharmacy does not constitute a Claim, to the extent benefits are determined based on cost and coverage rules predetermined by the Fund. If a Physician, Hospital or pharmacy declines to render services or refuses to fill a prescription unless the individual pays the entire cost, the individual should submit a Post-Service Claim for the services or prescription, as described under Claim Procedures, below.

A request for Precertification or Prior Authorization of a benefit that does not require Precertification or Prior Authorization by the Fund as a condition for receiving maximum benefits is not considered a Claim. However, requests for Precertification or Prior Authorization of a benefit where the Fund does require Precertification or Prior Authorization are considered Claims and should be submitted as Pre-Service Claims (or Urgent Claims, if applicable), as described under Claim Procedures, below.

(a) Claims are Categorized as Follows:

- (i) Urgent Claim. The term "Urgent Claim" means a Claim for medical care or treatment that, if normal Pre-Service standards for rendering a decision were applied, would seriously jeopardize the life or health of the claimant or the ability of the claimant to regain maximum function or, in the opinion of a Physician with knowledge of the claimant's medical condition, would subject the claimant to severe pain that could not be adequately managed without the care or treatment that is the subject of the Claim.
- (ii) Pre-Service Claim. The term "Pre-Service Claim" means a Claim for a

benefit for which the Fund requires Precertification or Prior Authorization before medical care is obtained in order to receive the maximum benefits allowed under the Plan.

- (iii) Concurrent Claim. The term “Concurrent Claim” means a Claim that is reconsidered after an initial approval has been made that results in a reduction, termination or extension of the previously approved benefit.
  - (iv) Post-Service Claim. The term “Post-Service Claim” means a Claim for benefits that is not a Pre-Service, Urgent or Concurrent Claim. This will generally be a claim for reimbursement for services already rendered.
  - (v) Disability Claim. The term “Disability Claim” means any Claim that requires a finding of Total Disability as a condition of eligibility.
- (3) Relevant Documents. “Relevant Documents” include documents pertaining to a Claim if they were relied upon in making the benefit determination, were submitted, considered or generated in the course of making the benefit determination, demonstrate compliance with the administrative processes and safeguards required by the regulations, or constitute the Fund’s policy or guidance with respect to the denied treatment option or benefit. Relevant Documents could include specific Fund rules, protocols, criteria, rate tables, fee schedules or checklists and administrative procedures that prove that the Fund’s rules were appropriately applied to a Claim.

**b. Claim Procedures.**

- (1) Urgent Claims. The Fund will determine whether a Claim is an Urgent Claim by applying the judgment of a prudent layperson who possesses an average knowledge of health and medicine. Alternatively, if a Physician with knowledge of the patient’s medical condition determines that the Claim is an Urgent Claim, and notifies the Fund of such, it will be treated as an Urgent Claim.

**Urgent Claims, which may include requests for Precertification of Hospital admissions and Prior Authorization of services, must be submitted by telephone or in person. Urgent Care Claims may not be submitted via the US Postal Service.**

**For properly filed Urgent Claims, the Fund or its designated Review Organization will respond to the claimant and provider with a determination by telephone as soon as possible, taking into account the medical exigencies, but not later than 72 hours after receipt of the Claim. The determination will also be confirmed in writing.**

If an Urgent Claim is received without sufficient information to determine whether, or to what extent, benefits are covered or payable, the Fund or its designated Review Organization will notify the claimant as soon as possible, but not later than 24 hours after receipt of the Claim, of the specific information necessary to complete the Claim. The claimant must provide the specified information within 2 business days after receiving the request for additional information. If the information is not provided within that time, the Claim will be denied.

During the period in which the claimant is allowed to supply additional information, the normal deadline for making a decision on the Claim will be suspended. The deadline is suspended from the date of the extension notice until either 2 business days or the date the claimant responds to the request, whichever is earlier. Notice of the decision will be

provided no later than 48 hours after receipt of the specified information.

If a claimant improperly files an Urgent Claim, the Trust Fund Office or its designated Review Organization will notify the claimant as soon as possible but not later than 24 hours after receipt of the Claim of the proper procedures required to file an Urgent Claim. Improperly filed claims include, but are not limited to: (i) claims that are not directed to a person or organizational unit customarily responsible for handling benefit matters; or (ii) claims that do not name a specific claimant, a specific medical condition or symptom, and a specific treatment, service or product for which approval is requested. The notification may be oral unless the claimant or authorized representative requests written notification. Unless refiled properly, it will not constitute a Claim.

- (2) Pre-Service Claims. Under the terms of this Plan, claimants are required to obtain Precertification by the Professional Review Organization (PRO) for admission to a Hospital or inpatient treatment facility on a non-emergency basis in order to receive maximum benefits.

The Fund's designated PRO will notify the claimant of an improperly filed **Pre-Service Claim** as soon as possible, but no later than 5 days after receipt of the claim, of the proper procedures to be followed in filing a claim. The claimant will only receive notice of an improperly filed Pre-Service Claim if the claim is submitted to the appropriate office and includes: (i) claimant's name, (ii) claimant's specific medical condition or symptom, and (iii) a specific treatment, service or product for which approval is requested. Unless the claim is re-filed properly, it will not constitute a claim.

For properly filed Pre-Service Claims, the claimant [and the claimant's doctor] will be notified of a decision within *15 days* after receipt of the claim unless additional time is needed. The time for response may be extended for up to an additional *15 days* if necessary due to matters beyond the control of the PRO. If an extension is necessary, the claimant will be notified prior to the expiration of the initial 15-day period of the circumstances requiring the extension of time and the date by which a decision is expected to be rendered.

If an extension is required because the Fund needs additional information from the claimant, the Fund will issue a request for additional information that specifies the information needed. The claimant will have 45 days from the date of the notification to supply the additional information. If the information is not provided within that time, the Claim will be denied. During the 45-day period in which the claimant is allowed to supply additional information, the normal deadline for making a decision on the Claim will be suspended. The deadline is suspended from the date of the Request for Additional Information until the earlier of: (i) 45 days; or (ii) the date the claimant responds to the request. The PRO then has 15 days to make a determination on the claim.

- (3) Concurrent Claims. Any request by a claimant to extend an approved Urgent Claim will be acted upon by the PRO within 24 hours of receipt of the Claim, provided the Claim is received at least 24 hours prior to the expiration of the approved Urgent Claim. A request to continue a plan of treatment that is in progress that does not involve an Urgent Claim will be decided in enough time to request an appeal and to have the appeal decided before the benefit is reduced or terminated.

- (4) Post-Service Claims. The claim form must be completed in full and an itemized bill(s) must be attached to the claim form in order for the request for benefits to be considered a Claim. Claimants do not have to submit an additional claim form if the bill(s) are for a continuing illness and claimant filed a signed claim form within the past calendar year period. The provider or Physician may file the claim on the claimant's behalf. The claim form and/or itemized bill(s) must include the following information for the request to be considered a Claim and for the Fund to be able to decide the claim:

Claimant completes:

- (a) Participant or Retiree name
- (b) Patient Name
- (c) Patient's Date of Birth
- (d) SSN or Participant ID number of Retiree
- (e) Date of Service
- (f) Information on other insurance coverage, if any, including coverage that may be available to Retiree's Spouse through his or her employer
- (g) If treatment is due to an accident, accident details

Provider completes:

- (a) CPT-4 (the code for physician services and other health care services found in the *Current Procedural Terminology, Fourth Edition*, as maintained and distributed by the American Medical Association) or HCPCS code
- (b) ICD-10 (the diagnosis code found in the *International Classification of Diseases, 10<sup>th</sup> Edition, Clinical Modification* as maintained and distributed by the U.S. Department of Health and Human Services)
- (c) Billed charge (bills must be itemized with all dates of Physician visits shown)
- (d) Federal taxpayer identification number (TIN) of the provider
- (e) Provider's billing name, address and phone number

**A Post-Service Claim is considered to have been filed upon receipt of the Claim by the Trust Fund Office.**

**Ordinarily, claimants will be notified of decisions on Post-Service Claims within 30 days from the receipt of the Claim by the Trust Fund Office. The Fund may extend this period one time for up to 15 days if the extension is necessary due to matters beyond the control of the Fund. If an extension is necessary, the claimant will be notified, before the end of the initial 30-day period, of the circumstances requiring the extension and the date by which the Fund expects to render a decision.**

If an extension is required because the Fund needs additional information from the claimant, the Fund will request additional information from provider and/or claimant via fax, telephone, Explanation of Benefits (EOB) or letter. The request will specify the information needed. The claimant will then have 45 days from receipt of the request to supply the additional information. If the information is not provided within that time, the Claim will be denied. The deadline for making a decision on the Claim will be suspended from the date of the request for additional information until the earlier of: (i) 45 days after the request is sent; or (ii) the date the claimant responds to the request. The Fund then has 15 days to make a decision and notify the claimant of its determination.

If the Fund determines that additional information is required from the claimant, and the claimant fails to provide any requested information within 45 days, the Fund will issue a notice of adverse benefit determination.

- (5) Authorized Representatives. An authorized representative, such as a Spouse or an adult child, may submit a Claim or appeal on behalf of a claimant if the claimant has previously designated the individual to act on his or her behalf through a form available at the Fund Office. The Trust Fund Office may request additional information to verify that the designated person is authorized to act on the claimant's behalf. Even if the claimant has designated an authorized representative, the claimant must personally sign a claim form and file it with the Fund Office at least annually.

**A health care professional with knowledge of the claimant's medical condition may act as an authorized representative in connection with an Urgent Claim without the claimant having to designate an authorized representative.**

- (6) Notice of Initial Benefit Determination. The claimant will be provided with written notice of the initial benefit determination. If the determination is an Adverse Benefit Determination, the notice will include:
- (a) the specific reason(s) for the determination;
  - (b) reference to the specific Plan provision(s) on which the determination is based;
  - (c) a description of any additional material or information necessary to perfect the Claim, and an explanation of why the material or information is necessary;
  - (d) a description of the appeal procedures and applicable time limits;
  - (e) a statement of the claimant's right to bring a civil action under ERISA Section 502(a) following the appeal of an Adverse Benefit Determination;
  - (f) if an internal rule, guideline or protocol was relied upon in deciding the Claim, a statement that a copy is available upon request at no charge;
  - (g) if the determination was based on the absence of medical necessity, or because the treatment was experimental or investigational, or other similar exclusion, a statement that an explanation of the scientific or clinical judgment for the determination is available upon request at no charge;
  - (h) for Urgent Claims, a description of the expedited review process applicable to Urgent Claims (for Urgent Claims, the notice may be provided orally and followed with written notification).

c. **Appeal Procedures.**

- (1) Appealing an Adverse Benefit Determination. If any Claim is denied in whole or in part, or if the claimant disagrees with the decision made on a Claim, the claimant may appeal the decision in the manner specified below. Appeals must be submitted to the Trust Fund Office within 180 days after the claimant receives the notice of Adverse Benefit Determination, must be accompanied by any pertinent material not already furnished to the Fund, and must state why the claimant believes the Claim should not have been denied.
- (a) Urgent Claims. Appeals of Adverse Benefit Determinations regarding Urgent Claims must be made either by calling the designated Review Organization or by other available similarly expeditious method.

Appeals of Urgent Claims may **not** be submitted via the US Postal Service.

- (b) Concurrent Claims. Appeals of Adverse Benefit Determinations regarding Concurrent Claims must be made in the same manner described for Urgent Claims.
  - (c) Pre-Service Claims. Appeals of Adverse Benefit Determinations regarding Pre-Service Claims must be in writing via mail or facsimile. A Pre-Service Claim appeal that is received with additional information which, upon review, allows additional benefits to be approved by the Trust Fund Office or its designated Review Organization in accordance with Fund provisions will not be considered an appeal, but a new Pre-Service Claim.
  - (d) Post-Service Claims. The appeal of a Post-Service Claim must be submitted in writing to the Trust Fund Office within 180 days after receipt of the Notice of Adverse Benefit Determination and must include:
    - (i) the Patient's name and address;
    - (ii) the Retiree's name and address, if different;
    - (iii) a statement that this is an appeal of an Adverse Benefit Determination to the Board of Trustees;
    - (iv) the date of the Adverse Benefit Determination; and
    - (v) the basis of the appeal, i.e., the reason(s) why the Claim should not be denied.
- (2) The Appeal Process. The claimant will be given the opportunity to submit written comments, documents, and other information for consideration during the appeal, even if such information was not submitted or considered as part of the initial benefit determination. The claimant will be provided, upon request and free of charge, reasonable access to and copies of all Relevant Documents pertaining to his or her Claim.

A different person will review the appeal than the person who originally made the initial Adverse Benefit Determination on the Claim. The reviewer will not give deference to the initial Adverse Benefit Determination. The decision will be made on the basis of the record, including such additional documents and comments that may be submitted by the claimant.

If the Claim was denied on the basis of a medical judgment (such as a determination that the treatment or service was not Medically Necessary, or was investigational or experimental), a health care professional who has appropriate training and experience in a relevant field of medicine will be consulted. Upon request, the claimant will be provided with the identification of medical or vocational experts, if any, that gave advice on the Claim, without regard to whether the advice was relied upon in deciding the Claim.

- (3) Timeframes for Sending Notices of Appeal Determinations.
- (a) Urgent Claims. Notice of the appeal determination for Urgent Claims will be sent within 72 hours of receipt of the appeal by the Trust Fund Office or its designated Review Organization.



- (b) Pre-Service Claims. Notice of the appeal determination for Pre-Service claims will be sent within 30 days of receipt of the appeal by the Trust Fund Office or its designated Review Organization.
  - (c) Concurrent Claims. Notice of the appeal determination for a Concurrent Claim will be sent by the Trust Fund Office or its designated Review Organization prior to the termination of the benefit.
  - (d) Post-Service Claims. Ordinarily, decisions on appeals involving Post-Service will be made at the next regularly scheduled meeting of the Board of Trustees following receipt of claimant's request for review. However, if the request for review is received at the Trust Fund Office less than 30 days before the next regularly scheduled meeting, the request for review may be considered at the second regularly scheduled meeting following receipt of the claimant's request. In special circumstances, a delay until the third regularly scheduled meeting following receipt of the claimant's request for review may be necessary. The claimant will be advised in writing in advance of this extension. Once a decision on review of claimant's Claim has been reached, the claimant will be notified as soon as possible, but no later than 5 days after the date of the decision.
  - (e) If the decision on review is not furnished to the claimant within the time specified in this Subsection c.(3), claimant's Claim will be deemed denied upon review. Claimant will be free to bring an action upon his or her Claim in accordance with Subsection c.(5), below.
- (4) Content of Appeal Determination Notices. The determination of an appeal will be provided to the claimant in writing. The notice of a denial of an appeal will include:
- (a) the specific reason(s) for the determination;
  - (b) reference to the specific Plan provision(s) on which the determination is based;
  - (c) a statement that the claimant is entitled to receive reasonable access to and copies of all documents relevant to the Claim, upon request and free of charge;
  - (d) a statement of the claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on appeal;
  - (e) if an internal rule, guideline or protocol was relied upon, a statement that a copy is available upon request at no charge; and
  - (f) if the determination was based on medical necessity, or because the treatment was experimental or investigational, or other similar exclusion, a statement that an explanation of the scientific or clinical judgment for the determination is available upon request at no charge.
- (5) When a Lawsuit May Be Started. No Employee, Dependent, beneficiary or other person shall have any right or claim to benefits under these Rules and Regulations or any right or claim to payments from the Fund, other than as specified herein.
- (a) A claimant may not start a lawsuit to obtain benefits until after either: (1) the claimant has submitted a Claim pursuant to these Rules and Regulations, requested a review after an Adverse Benefit Determination for every issue deemed relevant by the claimant and a final decision has been reached on review; or (2) the appropriate time frame described above has elapsed since claimant filed a request for review and claimant has not received a final decision or notice that an extension will be necessary to reach a final decision. No legal action may be started or maintained more than two years after the date the claimant has been

notified in writing that the denial of the claim has been confirmed on review.

- (b) For any lawsuit filed, the determinations of the Trustees are subject to judicial review only for abuse of discretion.
- (c) The provisions of this SECTION 8.05 shall apply to and include any and every claim to benefits from the Fund, and any claim or right asserted under the Plan or against the Fund, regardless of the basis asserted for the claim, and regardless of when the act or omission upon which the claim is based occurred, and regardless of whether or not the claimant is a “participant” or “beneficiary” of the Plan within the meaning of those terms as defined in ERISA. Such claim shall be limited to benefits due under the terms of the Plan, or to clarify his or her rights to future benefits under the terms of the Plan, and shall not include any claim or right to damages, either compensatory or punitive.

**SECTION 8.06. Waiver of Class, Collective, and Representative Actions.** By participating in the Plan, to the fullest extent permitted by law, whether in court, Participants waive any right to commence, be a party to in any way, or be an actual or putative class member of any class, collective, or representative action arising out of or relating to any dispute, claim or controversy, and Participants agree that any dispute, claim or controversy may only be initiated or maintained and decided on an individual basis.

**SECTION 8.07.** The Fund, at its own expense, will have the right and opportunity to examine the person of any Eligible Individual when and so often as it may reasonably require during the pendency of any claim, and also the right and opportunity to make an autopsy in case of death where it is not forbidden by law.

**SECTION 8.08.** The benefits provided by this Fund are not in lieu of and do not affect any requirement for coverage by Workers’ Compensation Insurance laws or similar legislation.

**SECTION 8.09.** The provisions of the Plan are subject to and controlled by the provisions of the Trust Agreement, and in the event of any conflict between the provisions of the Plan and the provisions of the Trust Agreement, the provisions of the Trust Agreement will prevail.

**SECTION 8.10. Privacy and Right to Receive and Release Necessary Information.**

- a. For the purpose of determining the applicability of and implementation of the terms of SECTION 7.03 through SECTION 7.04 dealing with Coordination of Benefits of this Plan or any provision of similar purpose of any other plan, the Plan may, to the extent consistent with Federal and state privacy laws (to the extent applicable) and the Plan’s Privacy Procedures, release to or obtain from an insurance company or other organization or person any information, with respect to any person, that the Plan deems to be necessary for such purposes.
- b. The Trustees and appropriate professionals retained by the Plan, may, to the extent necessary and in accordance with Federal and state privacy laws (to the extent applicable) and the Plan’s Privacy Procedures, have access to such Protected Health Information regarding Participants and Dependents as is reasonably necessary to make eligibility, payment, claims and appeals decisions, or as otherwise necessary to the administration of the Plan.
- c. The Trustees shall develop Privacy Procedures in accordance with The Health Insurance Portability and Accountability Act of 1996 (HIPAA) and other applicable laws, and shall

furnish to each Participant and Dependent a Notice of Privacy Practices. Such policies and practices shall be consistent with applicable Federal and state laws.

- d. Except as permitted by HIPAA, the Plan will only use or disclose your PHI for marketing purposes or sell (exchange) your PHI for remuneration (payment), with your written authorization. The following are permitted and required uses and disclosures of Protected Health Information, as that term is defined in HIPAA, that may be made by the Plan sponsor, the Board of Trustees.
  - (1) The Board of Trustees may make the following permitted and required disclosures of Protected Health Information. All disclosures shall be of the Minimum Necessary information, as that term is defined under HIPAA, except in the case of Subsections (o) through (s) below.

Permitted Disclosure Purposes:

- (a) As necessary for claims payment, Plan operations and treatment, including for the purpose of de-identifying information for further permitted disclosure.
- (b) Determining eligibility and amount of benefits.
- (c) Determining medical necessity, utilization reviews, and precertifications.
- (d) Processing claims, auditing claims, investigating claims, responding to Participant inquiries regarding claims, and insuring proper claims payment.
- (e) Subrogation and other third-party recovery processing.
- (f) Determining proper employer contributions.
- (g) Processing and determining stop loss coverage.
- (h) Claims and appeals processing.
- (i) Quality assessment, case management, provider rating, underwriting (the Plan does not use or disclose PHI that is genetic information for underwriting purposes), enrollment and premium rating, patient safety activities, and other related activities.
- (j) Legal and auditing services, including Plan compliance.
- (k) Plan design analysis, including cost analysis and Plan change evaluations.
- (l) Implementation of HIPAA and other applicable laws.
- (m) Tax and other regulatory filings.
- (n) Disclosures to the covered individual.
- (o) Disclosures that are subject to a specific written authorization from the covered individual.
- (p) Uses that are incident to a use or disclosure otherwise permitted or required by law.

Required Disclosures:

- (a) To the covered individual, when requested, to the extent required by law.
- (b) When requested, to the Secretary of Health and Human Services;
- (c) Any other instance in which HIPAA explicitly permits the use or disclosure without authorization.

- (2) Further, the Board of Trustees will:
- (a) Not use or further disclose the information other than as permitted or required by the Rules and Regulations and Privacy Procedures, or as required by law.
  - (b) Ensure that any agents to whom it provides Protected Health Information received from the Plan agree to the same restrictions and conditions that apply to the Trustees with respect to such information.
  - (c) Not use or disclose the information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Plan sponsor.
  - (d) Report to the Plan any use or disclosure of the information that is inconsistent with the uses or disclosures provided for of which it becomes aware.
  - (e) Make available Protected Health Information in accordance with HIPAA.
  - (f) Make available Protected Health Information for amendment by Participants and Dependents and incorporate any amendments to Protected Health Information in accordance with HIPAA.
  - (g) Make available the information required to provide an accounting of non-routine disclosures in accordance with HIPAA.
  - (h) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Secretary of Health and Human Services or any other officer or employee of HHS to whom the authority involved has been delegated for purposes of determining compliance by the Plan with the regulations requiring the Plan's Privacy Procedures and this Section.
  - (i) To the extent feasible, return or destroy all Protected Health Information received from the Plan that the Trustee(s) still maintain in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.
  - (j) Ensure the adequate separating required by the following SECTION 8.10.d.(3).
- (3) The Board of Trustees and the Plan shall be treated as separate and distinct entities for purposes of these privacy rules. To that end, only the following persons or entities shall be authorized by the Trustees to have access to Protected Health Information and such access shall be solely for the specific Plan-related functions performed by such persons or entities.
- (a) The Plan's administrator and its employees, including claims adjusters, benefits and eligibility staff, and accounting personnel.
  - (b) Utilization review and case management providers and their employees.
  - (c) Claims repricing provider and its employees, including health services purchasing coalitions.
  - (d) The Plan's business associates, including attorneys, actuaries, consultants and accountants.
  - (e) PPO organizations and stop loss carriers.
  - (f) Medical review consultants and firms.

- (g) Prescription drug benefit providers.
  - (h) Dental and vision plan providers.
  - (i) Mental health and substance abuse treatment providers.
  - (j) Other service providers that require Protected Health Information to perform services for the Plan.
  - (k) Off-site storage providers who maintain the Plan's archival records.
- (4) Noncompliance. In the event any person or entity to which the Plan has provided Protected Health Information in accordance with this Subsection d. uses or discloses such information in a manner inconsistent with the Plan, its Privacy Procedures, or applicable law, the Trustees shall have the right to:
- (a) Notify such person or entity in writing of such violation and demand immediate correction and remedial measures be taken to correct such use or disclosure.
  - (b) Assess against such person or entity the actual costs of the corrective or remedial action described in Subsection (a).
  - (c) Send a letter of reprimand to any such person or entity that repeatedly commits such violations.
  - (d) Take such additional appropriate action including, to the extent feasible, terminating the Plan's relationship with such person or entity, or reporting such violations to the Secretary of Health and Human Services.
- e. Security Regulations. The Board will implement measures to comply with the security regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996, 45 C.F.R. Parts 160, 162 and 164 (the "Security Regulations"). The following provisions apply to Electronic Protected Health Information ("ePHI") that is created, received, maintained or transmitted by the Plan, except for ePHI that: (1) the Plan receives pursuant to an appropriate authorization (as described in 45 C.F.R. Section 164.504(f)(1)(ii) or (iii)), or (2) that qualifies as Summary Health Information and that it receives for the purpose of either (a) obtaining premium bids for providing health insurance coverage under the Plan, or (b) modifying, amending or terminating the Plan (as authorized under 45 C.F.R. Section 164.508).

The Board will, in accordance with the Security Regulations:

- (1) Implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI that the Plan creates, receives, maintains or transmits.
- (2) Ensure that "adequate separation" is supported by reasonable and appropriate security measures. "Adequate separation" means the Plan will use ePHI only for Plan administration activities and not for employment related actions or for any purpose unrelated to Plan administration. Any Trustee, Plan professional, employee or other fiduciary of the Plan who uses or discloses ePHI in violation of the Plan's security or privacy policies and procedures or this Plan provision will be subject to the Plan's disciplinary procedures as described in SECTION 8.10.d. (4).
- (3) Ensure that any agent or subcontractor to whom the Plan provides ePHI agrees to implement reasonable and appropriate security measures to protect the information.

- (4) The Plan Administrator will report to the Board and Security Incident of which he becomes aware.

## **ARTICLE 9. AMENDMENT AND TERMINATION**

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**SECTION 9.01.** The Board has determined that each of the conditions, limitations and other terms of this Plan is essential to carry out the obligation of the Fund to provide comprehensive Hospital, medical and other benefits to all Retirees and eligible Dependents. In furtherance of that obligation the Board expressly reserves the right, in its sole discretion at any time, but upon a non-discriminatory basis:

- a. To terminate or amend either the amount or condition with respect to any benefit even though the termination or amendment affects claims which have already accrued;
- b. To alter or postpone the method or payment of any benefit; and
- c. To amend or rescind any other provisions of the Plan.

## **ARTICLE 10. DISCLAIMER**

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**SECTION 10.01.** None of the benefits provided in the Plan is insured by any contract of insurance and there is no liability on the Board or any other individual or entity to provide payments over and beyond the amounts in the Trust Fund collected and available for that purpose.

**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)**  
**NOTICE OF PRIVACY PRACTICES FOR PROTECTED HEALTH INFORMATION (PHI)**

**Carpenters Health and Welfare Trust Fund for California: Notice of Privacy Practices**

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*Esta noticia es disponible en español si usted lo suplica. Por favor contacte el Funcionario de Privacidad (510-639-4301).*

**CARPENTERS HEALTH AND WELFARE  
TRUST FUND FOR CALIFORNIA**

**Notice of Privacy Practices**

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU  
MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO  
THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

In this notice, the name “Carpenters Health and Welfare Fund” and the terms “we”, “us”, and “our” encompass not only this health plan itself but also Business Associates acting on behalf of the plan or providing services to the plan. These Business Associates may include a third party administrator, a pharmacy benefits manager, and professionals such as attorneys, auditors, and consultants. It does not include the Board of Trustees, the Plan Sponsor, which will be specified where appropriate.

**DUTIES OF CARPENTERS HEALTH AND WELFARE FUND**

We are required by law to maintain the privacy of your health information. We must provide you with this Notice of our legal duties and privacy practices with respect to your health information, we are required to notify you if there is a breach of your unsecured protected health information, and we are also required to abide by the terms of this Notice, which may be amended from time to time.

We reserve the right to change the terms of this Notice at any time in the future and to make the new provisions effective for all health information that we maintain. We will promptly revise our Notice and distribute it to all Plan Participants whenever we make material changes to our privacy policies and procedures within 60 days of such change. This Notice will also be provided to all new enrollees as required.

**HOW CARPENTERS HEALTH AND WELFARE FUND MAY USE OR DISCLOSE  
YOUR HEALTH INFORMATION**

We are permitted by law to use or disclose your “health information” to conduct activities necessary for “payment” and “health care operations” (as those terms are defined in the attached Glossary). These are the main purposes for which we will use or disclose your health information. For each of these purposes we list below examples of these kinds of uses and disclosures. These are only examples and are not intended to be a complete list of all the ways we may use or disclose your health information.

**Payment.** We may use or disclose health information about you for purposes within the definition of “payment”. These include, but are not limited to, the following purposes and example:

- **Determining your eligibility for plan benefits.** For example, we may use information obtained from your employer to determine whether you have satisfied the plan’s requirements for active eligibility.

## CARPENTERS HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA

### Notice of Privacy Practices

- **Obtaining contributions from you or your employer.** For example, we may send your employer a request for payment of contributions on your behalf, and we may send you information about premiums for COBRA continuation coverage.
- **Pre-certifying or pre-authorizing health care services.** For example, we may consider a request from you or your physician to verify coverage for a specific hospital admission or surgical procedure.
- **Determining and fulfilling the plan's responsibility for benefits.** For example, we may review health care claims to determine if specific services that were provided by your physician are covered by the plan.
- **Providing reimbursement for the treatment and services you received from health care providers.** For example, we may send your physician a payment with an explanation of how the amount of the payment was determined.
- **Subrogating health claim benefits for which a third party is liable.** For example, we may exchange information about an accidental injury with your attorney who is pursuing reimbursement from another party.
- **Coordinating benefits with other plans under which you have health coverage.** For example, we may disclose information about your plan benefits to another group health plan in which you participate.
- **Obtaining payment under a contract of reinsurance.** For example, if the total amount of your claims exceeds a certain amount we may disclose information about your claims to our stop-loss insurance carrier.

**Health Care Operations.** We may use and disclose health information about you for purposes within the definition of "health care operations". These purposes include, but are not limited to:

- **Conducting quality assessment and improvement activities.** For example, a supervisor or quality specialist may review health care claims to determine the accuracy of a processor's work.
- **Case management and care coordination.** For example, a case manager may contact home health agencies to determine their ability to provide the specific services you need.
- **Contacting you regarding treatment alternatives or other benefits and services that may be of interest to you.** For example, a case manager may contact you to give you information about alternative treatments which are neither included nor excluded in the plan's documentation of benefits but which may nevertheless be available in your situation.
- **Contacting health care providers with information about treatment alternatives.** For example, a case manager may contact your physician to discuss moving you from an acute care facility to a more appropriate care setting.
- **Employee training.** For example, training of new claims processors may include processing of claims for health benefits under close supervision.



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- **Accreditation, certification, licensing, or credentialing activities.** For example, a company that provides professional services to the plan may disclose your health information to an auditor that is determining or verifying its compliance with standards for professional accreditation.
- **Securing or placing a contract for reinsurance of risk relating to claims for health care.** For example, your demographic information (such as age and sex) may be disclosed to carriers of stop loss insurance to obtain premium quotes.
- **Conducting or arranging for legal and auditing services.** For example, your health information may be disclosed to an auditor who is auditing the accuracy of claim adjudications.
- **Management activities relating to compliance with privacy regulations.** For example, the Privacy Officer may use your health information while investigating a complaint regarding a reported or suspected violation of your privacy.
- **Resolution of internal grievances.** For example, your health information may be used in the process of settling a dispute about whether or not a violation of our privacy policies and procedures actually occurred.

**Disclosures to Plan Sponsor (Board of Trustees).** In addition to the circumstances and examples described above, there are three types of health information about you that we may disclose to the Board of Trustees. The disclosures described below are included within the definitions of “payment” or “health care operations”.

- We may disclose to the Board of Trustees whether or not you have enrolled in, are participating in, or have disenrolled from this health plan.
- We may provide the Board of Trustees with “summary health information”, which includes claims totals without any personal identification except your ZIP code, for these two purposes:
  - To obtain health insurance premium bids from other health plans, or
  - To consider modifying, amending, or terminating the health plan.
- We may disclose your health information to the Board of Trustees for purposes of administering benefits under the plan. These purposes may include, but are not limited to:
  - Reviewing and making determinations regarding an appeal of a denial or reduction of benefits.
  - Evaluating situations involving suspected or actual fraudulent claims.
  - Monitoring benefit claims that may or do involve stop-loss insurance.

## CARPENTERS HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA

### Notice of Privacy Practices

**Other Uses and Disclosures.** The following categories describe other ways that Carpenters Health and Welfare Fund may use and disclose your health information. Each category is illustrated with one or more examples. Not every potential use or disclosure in each category will be listed, and those that are listed may never actually occur.

- **Involvement in Payment.** With your agreement, we may disclose your health information to a relative, friend, or other person designated by you as being involved in payment for your health care. For example, if we are discussing your health benefits with you, and you wish to include your spouse or child in the conversation, we may disclose information to that person during the course of the conversation.
- **Required by Law.** We will disclose your health information when required to do so by Federal, state, or local law. For example, we may disclose your information to a representative of the U.S. Department of Health and Human Services who is conducting a privacy regulations compliance review.
- **Public Health.** As permitted by law, we may disclose your health information as described below:
  - **To an authorized public health authority**, for purposes of preventing or controlling disease, injury or disability;
  - **To a government entity** authorized to receive reports of child abuse or neglect;
  - **To a person under the jurisdiction of the Food and Drug Administration**, for activities related to the quality, safety, or effectiveness of FDA-regulated products.
- **Health Oversight Activities.** We may disclose your health information to health agencies during the course of audits, investigations, inspections, licensure and other proceedings related to oversight of the health care system or compliance with civil rights laws. However, this permission to disclose your health information does not apply to any investigation of you which is directly related to your health care.
- **Judicial and Administrative Proceedings.** We may disclose your health information in the course of any administrative or judicial proceeding:
  - In response to an order of a court or administrative tribunal, or
  - In response to a subpoena, discovery request, or other lawful process.

Specific circumstances may require us to make reasonable efforts to notify you about the request or to obtain a court order protecting your health information.

- **Law Enforcement.** We may disclose your health information to a law enforcement official for various purposes, such as identifying or locating a suspect, fugitive, material witness or missing person.
- **Coroners, Medical Examiners and Funeral Directors.** We may disclose your health information to coroners, medical examiners and funeral directors. For example, this may be necessary to identify a deceased person or determine the cause of death.
- **Organ and Tissue Donation.** We may disclose your health information to organizations involved in procuring, banking or transplanting organs and tissues, to facilitate such.

**CARPENTERS HEALTH AND WELFARE  
TRUST FUND FOR CALIFORNIA**

**Notice of Privacy Practices**

**WHEN CARPENTERS HEALTH AND WELFARE FUND MAY NOT USE OR  
DISCLOSE YOUR HEALTH INFORMATION**

Except as described in this Notice of Privacy Practices, we will not use or disclose your health information without written authorization from you. Specifically, most uses and disclosures of your psychotherapy notes (where appropriate), uses and disclosures of your protected health information for marketing purposes, and disclosures that constitute a sale of your protected health information require your written authorization. If you have authorized us to use or disclose your health information for another purpose, you may revoke your authorization in writing at any time. If you revoke your authorization, we will no longer be able to use or disclose health information about you for the reasons covered by your written authorization. However, we will be unable to take back any disclosures we have already made with your permission. Requests to revoke a prior authorization must be submitted in writing to the Privacy Officer at the address shown below.

The Carpenters Health and Welfare Fund will not use or disclose your genetic health information for underwriting purposes. Additionally, you have the right to opt out of receiving any communications concerning fund raising activities in which the Carpenters Health and Welfare Fund may engage.

**Right to Request Restrictions.** You have the right to request restrictions on certain uses and disclosures of your health information. We are not required to agree to restrictions that you request except if the disclosure involves payment or health care operations not required by law and the information pertains solely to a health care item or service that you have paid for out of pocket in full. If you would like to make a request for restrictions, you must submit your request in writing to the Privacy Officer at the address shown below.

**Right to Request Confidential Communications.** You have the right to ask us to communicate with you using an alternative means or at an alternative location. Requests for confidential communications must be submitted in writing to the Privacy Officer at the address shown below. We are not required to agree to your request unless disclosure of your health information could endanger you.

**Right to Inspect and Copy.** You have the right to inspect and copy health information about you that may be used to make decisions about your plan benefits. To inspect or copy such information, you must submit your request in writing to the Privacy Officer at the address shown below. If you request a copy of the information, we may charge you a reasonable fee to cover expenses associated with your request.

**Right to Request Amendment.** If you believe that we possess health information about you that is incorrect or incomplete, you have a right to ask us to change it. To request an amendment of health records, you must make your request in writing to the Privacy Officer at the address shown below. Your request must include a reason for the request. We are not required to change your health information. If your request is denied, we will provide you with information about our denial and how you can disagree with the denial.

## CARPENTERS HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA

### Notice of Privacy Practices

**Right to Accounting of Disclosures.** You have the right to receive a list or “accounting” of disclosures of your health information made by us. However, we do not have to account for disclosures that were:

- made to you or were authorized by you, or
- for purposes of payment functions or health care operations.

Requests for an accounting of disclosures must be submitted in writing to the Privacy Officer at the address shown below. Your request should specify a time period within the last six years and may not include dates before April 14, 2003. We will provide one free list per twelve-month period, but we may charge you for additional lists.

**Right to Paper Copy.** You have a right to receive a paper copy of this Notice of Privacy Practices at any time. To obtain a paper copy of this Notice, send your written request to the Privacy Officer at the address shown below or you can download a copy at [www.carpenterfunds.com](http://www.carpenterfunds.com).

### **Your Personal Representative**

You may exercise your rights to your PHI by designating a personal representative. Your personal representative will be required to produce evidence of the authority to act on your behalf **before** the personal representative will be given access to your PHI or be allowed to take any action for you. Under this Plan, proof of such authority will include a completed, signed and approved form. You may obtain this form by contacting the Privacy Officer or his or her designee at their address listed on the first page of this Notice. The Plan retains discretion to deny access to your PHI to a personal representative to provide protection to those vulnerable people who depend on others to exercise their rights under these rules and who may be subject to abuse or neglect.

This Plan will recognize certain individuals as Personal Representatives **without** you having to complete a Personal Representative form. You may however request that the Plan **not** automatically honor the following individuals as your Personal Representative by completing a form to Revoke a Personal Representative available from the Privacy Officer or their designee.

- For example, the Plan will automatically consider a spouse to be the personal representative of a Plan Participant and vice versa. The recognition of your spouse as your personal representative (and vice versa) is for the use and disclosure of PHI under this Plan and is not intended to expand such designation beyond what is necessary for this Plan to comply with HIPAA privacy regulations. You should also review the Plan’s Policy and Procedure regarding Personal Representatives (available from the Privacy Officer) for a more complete description of the circumstances where the Plan will automatically consider an individual to be a personal representative.

### **YOUR HEALTH INFORMATION PRIVACY RIGHTS**

If you would like to obtain a more detailed explanation of these rights, or if you would like to exercise one or more of these rights, contact:

HIPAA Privacy Officer  
Carpenters Health and Welfare Trust Fund for California  
P.O. Box 2280  
Oakland, CA 94621-0181

**CARPENTERS HEALTH AND WELFARE  
TRUST FUND FOR CALIFORNIA**

**Notice of Privacy Practices**

**Complaints.** If you believe that your privacy rights have been violated by Carpenters Health and Welfare Trust Fund for California, or by anyone acting on our behalf, you may file a complaint. Complaints to us must be submitted in writing to the Privacy Officer at the above address. You may also file a complaint with the Secretary of the Department of Health and Human Services at:

200 Independence Avenue, SW  
Washington, DC 20201

We will not retaliate against you in any way for filing a complaint.

**Questions.** If you have questions about any part of this Notice or if you want more information about the privacy practices at Carpenters Health and Welfare Fund, please contact the Privacy Officer at the above address.

**CARPENTER FUNDS ADMINISTRATIVE OFFICE  
OF NORTHERN CALIFORNIA, INC.**  
265 Hegenberger Road, Suite 100 ✧ P.O. Box 2280  
Oakland, California 94621-0180  
Tel. (510) 633-0333 ✧ (888) 547-2054 ✧ Fax (510) 633-0215



August 3, 2018

**TO: All Retired Non-Medicare Eligible Participants and Dependents, including COBRA Beneficiaries**

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

**RE: Effective Date of Domestic Partner Enrollment  
Changes to Certain Indemnity Plan Benefits**

- Insulin Pen Products
- Hearing Exams
- Contact Lenses
- Routine Physical Exams

This Participant Notice will advise you of certain material modifications that have been made to your medical benefits for covered services. This information is important to you and your Dependents. Please take the time to read it carefully.

The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California modified the Plan Rules and Regulations for Retirees and Dependents as follows:

**EFFECTIVE DATE OF DOMESTIC PARTNER ENROLLMENT**

Beginning September 1, 2017, following the Fund Office's receipt of the enrollment documents to enroll an eligible Domestic Partner (including, if applicable, eligible children of a Domestic Partner), such Dependent(s) will begin participation in the Plan effective on the first day of the second month following the Fund Office's receipt of the enrollment documents.

**INDEMNITY PLAN BENEFIT CHANGES**

**INSULIN PEN PRODUCTS**

Between September 1, 2017 and August 31, 2018, the Fund will no longer provide benefits for insulin pen products for Dependents under age 19 without demonstrating additional applicable circumstances. To receive benefits for insulin pen products, Dependents of any age must meet the Plan's preauthorization requirements by satisfying one of the following: 1) have a visual or physical impairment that prevents him or her from using an insulin vial and syringe; or 2) need an intensive insulin regimen that requires him or her to inject insulin at least three times per day and to monitor his or her blood sugar at least twice per day.

Beginning September 1, 2018, the Fund will no longer require preauthorization for insulin pen products. Medically necessary formulary insulin pen products will be covered by the Plan as any other covered outpatient prescription drug, subject to applicable outpatient drug copayments and all other applicable Plan provisions.

**HEARING EXAMS**

Effective January 1, 2018, the Fund will cover hearing exams when ordered by a Physician. Hearing exams will be paid by the Plan at 90%, following satisfaction of the calendar year Deductible for Contract Providers or 70% of Allowed Charges following

satisfaction of the calendar year Deductible for Non-Contract Providers. Hearing exam cost-sharing, when applicable, will apply to the Coinsurance Maximum. To be eligible for coverage, the hearing exam must be medically necessary and performed by a Physician or healthcare practitioner with a master's or doctoral degree in audiology.

The Plan's coverage of hearing aids is otherwise unchanged, and continues to be limited to a maximum payment of \$800 per ear in any 3-year period for the covered costs of hearing aids, repairs and servicing combined.

### **CONTACT LENSES**

Beginning September 1, 2018, the Fund will increase the benefit for contact lenses and pay up to a \$130 retail allowance for elective contact lenses and fitting and evaluation exam combined. This benefit will continue to be limited to once every 12 months, and is in lieu of any benefit for eye glasses (frames and lenses), and subject to any other applicable Plan provisions. As a reminder, when contact lenses are obtained, you will not be eligible for regular spectacle lenses again for 12 months and frames for 24 months.

### **ROUTINE PHYSICAL EXAM BENEFIT**

The Fund covers screening services conducted by Health Dynamics at 100% coinsurance. Effective August 1, 2017, routine physical examination services received from a provider that is not Health Dynamics, including all laboratory tests and x-rays provided as part of a routine physical examination will be covered at 90% coinsurance when received from a Contract Provider, or at 70% coinsurance when received from a Non-Contract Provider, after Deductible, and limited to one routine physical exam during any 12-month period.

This benefit includes physical exams given to a newborn child by a Physician while that newborn is in the Hospital immediately following birth. The benefit also provides coverage for Physician standby charges during a cesarean section.

\* \* \* \* \*

Because this Plan is a "grandfathered health plan," we are required by law to provide this notice to you:

**Grandfathered Health Plan:** The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Indemnity 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](http://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 email 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.*



**CARPENTER FUNDS ADMINISTRATIVE OFFICE  
OF NORTHERN CALIFORNIA, INC.**  
265 Hegenberger Road, Suite 100 ✧ P.O. Box 2280  
Oakland, California 94621-0180  
Tel. (510) 633-0333 ✧ (888) 547-2054 ✧ Fax (510) 633-0215



August 3, 2018

**TO: All Retired Medicare Eligible Participants and Dependents, including COBRA Beneficiaries**

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

**RE: Effective Date of Domestic Partner Enrollment  
Change to the Indemnity Plan Contact Lens Benefit**

This Participant Notice will advise you of certain material modifications that have been made to your medical benefits for covered services. This information is important to you and your Dependents. Please take the time to read it carefully.

The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California modified the Plan Rules and Regulations for Retirees and Dependents as follows:

#### **EFFECTIVE DATE OF DOMESTIC PARTNER ENROLLMENT**

Beginning September 1, 2017, following the Fund Office's receipt of the enrollment documents to enroll an eligible Domestic Partner (including, if applicable, eligible children of a Domestic Partner), such Dependent(s) will begin participation in the Plan effective on the first day of the second month following the Fund Office's receipt of the enrollment documents.

#### **CHANGE TO THE INDEMNITY PLAN CONTACT LENS BENEFIT**

Beginning September 1, 2018, the Fund will increase the benefit for contact lenses and pay up to a \$130 retail allowance for elective contact lenses and fitting and evaluation exam combined. This benefit will continue to be limited to once every 12 months, and is in lieu of any benefit for eye glasses (frames and lenses), and subject to any other applicable Plan provisions. As a reminder, when contact lenses are obtained, you will not be eligible for regular spectacle lenses again for 12 months and frames for 24 months.

\* \* \* \* \*

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**Grandfathered Health Plan:** The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Indemnity 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](http://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 email 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 HEALTH AND WELFARE  
TRUST FUND FOR CALIFORNIA**

265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Tel. (510) 633-0333 ♦ (888) 547-2054 ♦ Fax (510) 633-0215  
www.carpenterfunds.com



November 29, 2019

**To: All Active and Non-Medicare Retired Participants and their Dependents, including COBRA Beneficiaries**

**From: BOARD OF TRUSTEES**

**Re: Changes to Plan Benefits Effective January 1, 2020**

- **Outpatient Surgical Procedures**
- **Routine OB-GYN Exam Benefit**
- **Vision Benefit**
- **Breast Pump**
- **Stem Cell Treatment**
- **Providers under investigation for Fraud**
- **Health Dynamics and Trestle Tree Termination**

This Participant Notice will advise you of certain material modifications that have been made to your medical benefits for covered services. **This information is VERY IMPORTANT to you and your dependents.** Please take the time to read it carefully.

The Board of Trustees modified the Plan Rules and Regulations as follows, effective January 1, 2020:

**1. CHANGES TO PLAN BENEFITS FOR CERTAIN SURGERIES AT AN OUTPATIENT HOSPITAL:**

The Plan currently has a payment limit for use of an outpatient hospital facility for an arthroscopy, cataract surgery, colonoscopy or endoscopy. These surgical procedures performed at an Anthem PPO Contracted ambulatory surgical center have no Plan payment limit and the Plan pays benefits subject to normal Plan Rules, deductible, coinsurance, and coinsurance maximums.

Beginning January 1, 2020, more surgical procedures will be added to the list of outpatient hospital payment limits for surgeries performed at an outpatient hospital instead of a PPO Contracted ambulatory surgical center.

Below please find an updated list of the surgeries and the associated Maximum Payment Limit that will apply when provided in an Outpatient Hospital Setting.

**The Plan is also adding a precertification requirement for the below outpatient surgery procedures. Please have your healthcare practitioner contact Anthem at (800) 274-7767 so you can be directed to an Anthem PPO Contracted ambulatory surgical center.** Failure to comply with the Plan's requirements for precertification may result in an increase of your out-of-pocket costs.

Surgery	Maximum Payment Limit per Procedure
<b>At an Outpatient Hospital (instead of a PPO Contracted Ambulatory Surgical Center)</b>	
Arthroscopy	\$6,000
Cataract Surgery	\$2,000
Colonoscopy	\$1,500
Sigmoidoscopy	\$1,000
Upper Gastrointestinal Endoscopy	\$1,500
Upper Gastrointestinal Endoscopy with Biopsy	\$2,000
Esophagoscopy	\$2,000
Hysteroscopy Uterine Tissue Sample (with Biopsy, with or without Dilation and Curettage)	\$3,500
All other Endoscopies	\$1,000
Laparoscopic Gall Bladder Removal	\$5,000
Nasal/Sinus - Submucous Resection Inferior Turbinate	\$3,000
Nasal/Sinus - Corrective Surgery - Septoplasty	\$3,500
Tonsillectomy and/or Adenoidectomy	\$3,000
Lithotripsy – Fragmenting of Kidney Stones	\$7,000
Hernia Inguinal Repair (Over age 5, Non-Laparoscopic)	\$4,000
Laparoscopic Inguinal Hernia	\$5,500

If you use an Outpatient Hospital for any of the above surgeries, you will be responsible for paying any amount over the maximum. Amounts denied as over the maximum for a procedure will not accumulate toward your Coinsurance Maximum.

If you are scheduled for one of the above surgeries, **please make sure your surgery is performed at a PPO Contracted ambulatory surgical center.** This will save money for both you and the Fund.

## **2. NEW ANNUAL ROUTINE OB-GYN EXAM BENEFIT:**

At this time, the Fund allows a routine physical examination for a Participant and Spouse once within a 12-month period. Women are able to use this benefit for either their routine OB-GYN visit or at another physician for a physical exam. Beginning for services on or after January 1, 2020, the Fund will allow both one routine OB-GYN examination within a 12-month period in addition to one routine physical exam within a 12-month period (payable at normal Plan benefits). Coverage includes any x-rays and laboratory tests provided in connection with the OB-GYN exam and physical examination, including a pap smear.

### **3. CHANGES TO VISION BENEFIT ALLOWANCES:**

The following allowances for covered vision services with a VSP provider have been increased for services on or after January 1, 2020.

- The frame allowance is increasing to \$175 at VSP doctors and retail chains, and to \$95 at Costco Optical Center, limited to once every 24 months.
- The elective contact lens allowance is increasing to \$155 for contact lenses and fitting and evaluation exam, limited to once every 12 months in lieu of lenses and frames.

### **4. BREAST PUMP:**

The Plan has added a benefit for rental or purchase of a breast pump for females who are breastfeeding. Either a manual or an electric breast pump is covered, payable at normal Plan benefits up to a maximum benefit payment of \$75 per calendar year beginning January 1, 2020.

### **5. STEM CELL TREATMENT:**

Stem cell treatments that have not been approved by the Federal Food and Drug Administration (FDA) are excluded by the Plan.

### **6. PROVIDERS UNDER INVESTIGATION FOR FRAUD:**

Medical providers that have been determined to have engaged in fraudulent activity, following an investigation by the Plan's Fraud, Waste and Abuse vendor are excluded from any Plan benefits.

### **7. HEALTH DYNAMICS AND TRESTLE TREE TERMINATION:**

The Plan has terminated its contract with Health Dynamics who provided physical exams, screenings, and health coaching services. The Plan also terminated its contract with Trestle Tree who provided health coaching related to wellness and disease management.

**Reminder:** Services provided by a Non-Contract provider who does not complete enrollment in the Medicare program are limited or not payable. The Plan limits Medically Necessary *outpatient* services from Non-Contract Providers who are not registered with the Centers for Medicare & Medicaid Services (CMS) to **a maximum allowable charge of \$100 per appointment**, subject to the non-PPO deductible and coinsurance. Benefits paid *for inpatient* services from a Non-Contract Provider is based on a percentage of that provider's CMS registered fee; there will be no benefits available for inpatient services from a Non-Contract Provider who is not registered with CMS.

\* \* \* \* \*

Because this Plan is a “grandfathered health plan,” the law requires to provide this notice to you:

**Grandfathered Health Plan:** The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Indemnity medical plan is “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 and 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 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 [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com), (510) 633-0333 or toll free at (888) 547-2054. Find forms and information on our website, [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.*

**CARPENTER FUNDS ADMINISTRATIVE OFFICE  
OF NORTHERN CALIFORNIA, INC.**  
265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Tel. (510) 633-0333 ✧ (888) 547-2054 ✧ Fax (510) 633-0215



April 3, 2020

**TO: All Active Plan Participants, Non-Medicare Retirees and their Dependents including COBRA Beneficiaries**

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

**RE: BENEFIT CHANGES – INDEMNITY PLAN  
Online Telehealth Medical Visits  
COVID-19 Laboratory Tests  
Prescription Drug Benefits**

This Notice will advise you of certain material modifications that were made to your medical and prescription benefits.

It is the intent of the Plan to comply with federally mandated benefit requirements. Unless superseded by law with mandatory additional benefits, **effective March 1, 2020, the Health and Welfare Plan will provide 100% coverage of the PPO Allowed Amount for COVID-19 laboratory testing by a Contract Provider as well as 100% coverage for telehealth medical visits through LiveHealth Online.** COVID-19 testing and LiveHealth Online services will not be subject to the Plan's calendar year deductible.

#### **Online Telehealth Medical Visits**

LiveHealth Online allows you to access private and secure video visits with a board-certified doctor 24 hours a day using your smartphone, tablet or computer that has a webcam. Physicians available through LiveHealth Online can evaluate your symptoms, help you understand your condition, including the possibility of contracting the COVID-19 virus, all the while minimizing the risk of exposure of disease to yourself and others because your visit is in the comfort of your own home. In addition to the LiveHealth Online visit being available at no cost, no appointment is necessary and wait times are nominal.

To get started, go to [livehealthonline.com](https://livehealthonline.com) and sign up by:

1. Choose **Sign Up** to create your LiveHealth Online account. Enter your name, email address, date of birth and create a secure password.
2. Read and agree to the *Terms of Use*.
3. Choose your location in the drop-down box of states.
4. Enter your birth date and choose your gender.
5. For the question "Do you have insurance?", select **Yes**. Be sure to have your medical identification card available to complete the insurance information. If you choose **No**, you can enter your insurance information later.
6. For **Health Plan**, in the drop-down box, select **Anthem**.
7. For the **Subscriber ID**, enter your identification number, which is found on your medical identification card. Select **Yes** if you are the Plan Participant or **No** if you are a Dependent

of the Participant.

8. Select the green **Finish** button.

For questions about how to use LiveHealth Online, call toll free (888) 548-3432 or email [help@livehealthonline.com](mailto:help@livehealthonline.com).

### **COVID-19 Laboratory Tests**

The Plan will provide 100% coverage of the PPO Allowed Amount for COVID-19 laboratory testing by a Contract Provider. COVID-19 laboratory testing by a non-Contract Provider is payable at 100% of the average Contract Provider rate, not subject to the Plan's calendar year deductible. You will be responsible for any charge in excess of the Plan's payment if you use a non-Contract Provider. When possible, the Plan encourages you to use a Contract Provider to prevent an out-of-pocket cost to you for COVID-19 laboratory testing.

### **Prescription Drug Benefits**

The Health and Welfare Plan contracts with Express Scripts, a prescription benefit management (PBM) firm, to administer the Prescription Drug benefits for our Participants. Express Scripts has implemented a number of best practices to help manage the safety and efficiency of the prescription drug program.

On or after March 1, 2020, there will be no benefit payment for the following prescriptions:

- A medication excluded under the PBM's Pharmacy and Therapeutics Committee or United Brotherhood of Carpenter's Clinical Advisory Committee,
- A drug not approved through the step therapy program,
- A drug requiring pre-authorization when pre-authorization is not obtained,
- A medication that has not been approved by the Food and Drug Administration for the indication prescribed unless such use has been reviewed and approved by the PBM's Pharmacy and Therapeutics Committee or United Brotherhood of Carpenter's Clinical Advisory Committee,
- A medication that does not satisfy Express Scripts' clinical guidelines for safety, or cost saving protocols.

If you are taking a medication not covered by the Plan, we recommend that you talk to your doctor to discuss medication options that the Plan does cover. If you have any questions regarding your prescription drug coverage, including questions regarding medications covered under the program, please refer to Express Scripts at (800) 939-7093 or [www.express-scripts.com](http://www.express-scripts.com).

\* \* \* \* \*

Because this Plan is a "grandfathered health plan," federal law requires us to provide this notice to you:

**Grandfathered Health Plan:** The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Fund's Indemnity 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](http://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 email 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 HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA**

265 Hegenberger Road, Suite 100

P.O. Box 2280

Oakland, California 94621-0180

Tel. (510) 633-0333 ♦ (888) 547-2054 ♦ Fax (510) 633-0215

[www.carpenterfunds.com](http://www.carpenterfunds.com)



July 24, 2020

**To: All Retired Plan Participants and/or their Beneficiaries**

➤ *Indemnity & Kaiser / Non-Medicare*

**From: BOARD OF TRUSTEES**

**Carpenters Health and Welfare Trust Fund for California**

**Re: SUMMARY OF BENEFITS AND COVERAGE (SBC) required by the Affordable Care Act (ACA)**

As required by law, group health plans like ours are providing plan participants with a Summary of Benefits and Coverage (SBC) as a way to help understand and compare medical benefits. The SBC provides a brief overview of the medical plan benefits provided by the Carpenters Health and Welfare Trust Fund for California. Please share this SBC with your family members who are also covered by the Plan.

Each SBC contains concise medical plan information in plain language about benefits and coverage. This includes what is covered, what you need to pay for various benefits, what is not covered, and where to go for more information or to get answers to questions. Government regulations are very specific about the information that can and cannot be included in each SBC. The Plan is not allowed to customize much of the SBC. An SBC includes:

- A health plan comparison tool called “Coverage Examples.” These examples illustrate how the medical plan covers care for two common health scenarios: having a baby and diabetes care. These examples show the projected total costs associated with each of these two situations, how much of these costs the Plan covers and how much you, the participant, need to pay. In these examples, it’s important to note that the costs are national averages and do not reflect what the actual services might cost in your area. Plus, the cost for your treatment might also be very different depending on your doctor’s approach, whether your doctor is an In-Network PPO Provider or a Non-PPO Provider, your age and any other health issues you may also have. These examples are there to help you compare how different health plans might cover the same condition—not for predicting your own actual costs.
- A link to a “Glossary” of common terms used in describing health benefits, including words such as “deductible,” “co-payment,” and “co-insurance.” The glossary is standard and cannot be customized by a Plan.
- Websites and toll-free phone numbers you can contact if you have questions or need assistance with benefits.

Please keep this notice with your benefit booklet. If you have any questions, please call Benefit Services at the Trust Fund Office at (510) 633-0333 or toll free at (888) 547-2054. You may also send an email to [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com)

## Summary of Benefits and Coverage: What this Plan Covers & What You Pay For Covered Services

### Carpenters Health & Welfare Trust Fund for California: Non-Medicare Retiree Plan


Coverage Period: 09/01/2020 – 08/31/2021  
Coverage for: Individual + Family | Plan Type: PPO



The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. **NOTE:** Information about the cost of this plan (called the premium) will be provided separately. **This is only a summary.** For more information about your coverage, or to get a copy of the complete terms of coverage, visit [www.carpenterfunds.com](http://www.carpenterfunds.com) or call 1-888-547-2054. For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at [www.carpenterfunds.com](http://www.carpenterfunds.com) or call 1-888-547-2054 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u> ?	Contract <u>Provider</u> : \$128/individual per calendar year; \$256/family per calendar year. Non-Contract <u>Provider</u> : \$257/person per calendar year; \$514/family per calendar year.	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family <u>deductible</u> .
Are there services covered before you meet your <u>deductible</u> ?	Yes. Mental health, chemical dependency (including detox), member assistance program visits, Contract <u>Provider</u> On-Line Health physician visits up to \$59 per visit, and outpatient <u>prescription drugs</u> are covered before you meet your <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply.
Are there other <u>deductibles</u> for specific services?	No.	You don't have to meet <u>deductibles</u> for specific services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u> ?	There is no <u>out-of-pocket limit</u> on all types of <u>cost sharing</u> , but there is a \$1,289/person (\$2,578/family) on the amount of <u>coinsurance</u> that you must pay for covered services in a year.	This <u>plan</u> does not have an <u>out-of-pocket limit</u> on your expenses.
What is not included in the <u>out-of-pocket limit</u> ?	<u>Premiums</u> , <u>balance-billing</u> charges, hearing examination and hearing aid expenses, penalties for failure to obtain precertification, <u>deductibles</u> , expenses from Non-Contract <u>providers</u> , outpatient retail/mail order <u>prescription drug</u> expenses, amounts over the reference-based pricing allowances and health care this <u>plan</u> doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .

Important Questions	Answers	Why This Matters:
Will you pay less if you use a <u>network provider</u> ?	Yes. See <a href="http://www.anthem.com/ca">www.anthem.com/ca</a> or call 1-888-547-2054 for a list of Contract <u>providers</u> in California. See <a href="http://www.bcbs.com">www.bcbs.com</a> or call 1-800-810-2583 for a list of Contract <u>providers</u> outside the state of California.	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the <u>plan's network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the <u>provider's</u> charge and what your <u>plan</u> pays ( <u>balance billing</u> ). Be aware your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract Provider (You will pay the least)	Non-Contract Provider (You will pay the most)	
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	10% <u>coinsurance</u>	30% <u>coinsurance</u>	<ul style="list-style-type: none"> <li>Services from Non-Contract providers not registered with CMS are limited to \$100/appointment.</li> </ul>
	<u>Specialist</u> visit	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Services from Non-Contract providers not registered with CMS are limited to \$100/appointment.
	<u>Preventive care/screening/Immunization</u>	10% <u>coinsurance</u>	30% <u>coinsurance</u>	<ul style="list-style-type: none"> <li>For adults and children, benefits are limited to one routine physical exam in any 12-month period.</li> <li>For Employee and Spouse only, benefits include one routine Ob-Gyn examination within a 12-month period in addition to the routine physical. Coverage includes any x-rays and laboratory tests provided in connection with the physical examination, including a pap smear.</li> <li>You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.</li> <li>Services from Non-Contract providers not registered with CMS are limited to \$100/appointment.</li> </ul>
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Professional/physician charges may be billed separately (Services from Non-Contract providers not registered with CMS are limited to \$100/appointment). Precertification is required for CT/CTA, MRI, Nuclear Cardiology, Pet Scans and Echocardiography.
	Imaging (CT/PET scans, MRIs)	10% <u>coinsurance</u>	30% <u>coinsurance</u>	

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract Provider (You will pay the least)	Non-Contract Provider (You will pay the most)	
<b>If you need drugs to treat your illness or condition</b> More information about <b><u>prescription drug coverage</u></b> is available at <a href="http://www.express-scripts.com">www.express-scripts.com</a> or call 1-800-939-7093.	Generic drugs	Retail: \$15 <u>copay</u> /fill. Mail order: \$26 <u>copay</u> /fill	You pay 100% (unless there are no network pharmacies within 10 miles). <u>Plan</u> reimburses no more than it would have paid had you used an In-Network Retail pharmacy.	<ul style="list-style-type: none"> <li>Retail Pharmacy – 30-day supply</li> <li>Mail Order Pharmacy – 90-day supply</li> <li><u>Deductible</u> does not apply to outpatient <u>prescription drugs</u>.</li> <li><u>Cost sharing</u> for outpatient <u>prescription drugs</u> <b>does not count</b> toward the <u>out-of-pocket limit</u>.</li> <li>If the cost of the drug is less than the <u>copay</u>, you pay just the drug cost.</li> <li>Some prescription drugs are subject to <u>preauthorization</u> (to avoid non-payment), or step therapy requirements.</li> <li>Brand name Proton Pump Inhibitors (PPI) and Cholesterol drugs not covered.</li> <li>For any new Brand Name Drug approved by the federal FDA, including injectable and infusion drugs, the <u>copay</u> is 50% of the cost of the drug for a minimum of 24 months after the drug has been approved. If the PBM determines that the new FDA-approved drug is a “must not add” drug, the <u>copay</u> will remain at 50% of the cost of the drug.</li> <li>Mail Order is mandatory if more than 2 prescriptions are filled for maintenance medications.</li> </ul>
	Preferred brand drugs (Formulary brand drugs)	Retail: \$15 <u>copay</u> /fill + cost difference between generic and brand for multi-source brand. \$53 <u>copay</u> /fill for single-source formulary brand. Mail order: \$26 <u>copay</u> /fill + cost difference between generic and brand for multi-source brand. \$106 <u>copay</u> /fill for single-source formulary brand.		
	Non-preferred brand drugs (Non-formulary brand drugs)	Retail: \$80 <u>copay</u> /fill; Mail Order: \$133 <u>copay</u> /fill		
	<u>Specialty drugs</u>	Subject to Retail Copays (30-day supply).	Not covered	
<b>If you have outpatient surgery</b>	Facility fee (e.g., ambulatory surgery center)	10% <u>coinsurance</u>	30% <u>coinsurance</u> plus any amounts over \$300	For certain out-patient surgeries, the Plan has a maximum benefit payable if services are done at a hospital facility instead of an ambulatory surgery center. To avoid Plan maximums, precertification is required for outpatient surgeries.
	Physician/surgeon fees	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Services from Non-Contract providers not registered with CMS are limited to \$100/appointment.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract Provider (You will pay the least)	Non-Contract Provider (You will pay the most)	
If you need immediate medical attention	<u>Emergency room care</u>	<b>Medical:</b> 10% <u>coinsurance</u> . <b>Mental Health or Substance Abuse:</b> No charge	<b>Medical:</b> 30% coinsurance (10% coinsurance if no choice in hospital due to emergency). <b>Mental Health or Substance Abuse:</b> No charge	Professional/physician charges may be billed separately. (Services from Non-Contract providers not registered with CMS are limited to \$100/appointment).
	<u>Emergency medical transportation</u>	10% <u>coinsurance</u>	10% <u>coinsurance</u> .	Limited to emergency care or medically necessary inter-facility transfer to the nearest hospital, only. Services provided by an Emergency Medical Technician (EMT) without subsequent emergency transport are covered. *See Article 1 of the Plan Document for more information on emergency care.
	<u>Urgent care</u>	<b>Medical:</b> 10% <u>coinsurance</u> . <b>Mental Health or Substance Abuse:</b> No charge	<b>Medical:</b> 30% coinsurance (10% coinsurance if no choice in hospital due to emergency). <b>Mental Health or Substance Abuse:</b> No charge	Services from Non-Contract providers not registered with CMS are limited to \$100/appointment.
If you have a hospital stay	Facility fee (e.g., hospital room)	10% <u>coinsurance</u>	30% <u>coinsurance</u>	<ul style="list-style-type: none"> <li>Precertification is required.</li> <li>A maximum of \$30,000 is payable for the hospital facility charges associated with a single hip joint or knee joint replacement surgery.</li> <li>In a Non-Contract Hospital, the <u>plan</u> covers a room with 2 or more beds (or the minimum charge for a 2-bed room in the Hospital if a higher priced room is used).</li> <li>Services from Non-Contract providers not registered with CMS are not covered.</li> </ul>
	Physician/surgeon fees	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Services from Non-Contract providers not registered with CMS are not covered.

\* For more information about limitations and exceptions, see the plan or policy document at [www.carpenterfunds.com](http://www.carpenterfunds.com).



Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract Provider (You will pay the least)	Non-Contract Provider (You will pay the most)	
If you need mental health, behavioral health, or substance abuse services	Outpatient services	<b>Mental Health:</b> 10% coinsurance <b>Substance Abuse:</b> no charge, <u>deductible</u> does not apply	30% <u>coinsurance</u>	<ul style="list-style-type: none"> <li>Plan pays 100% for physician online visits with a Contract Provider.</li> <li>Services from Non-Contract providers not registered with CMS are limited to \$100/appointment.</li> </ul>
	Inpatient services	<b>Mental Health:</b> 20% <u>coinsurance</u> , <u>deductible</u> does not apply. <b>Substance Abuse:</b> no charge, <u>deductible</u> does not apply, for first rehab program, 10% <u>coinsurance</u> for subsequent programs.	30% <u>coinsurance</u>	<ul style="list-style-type: none"> <li>Precertification is required.</li> <li>In a Non-Contract Hospital, the <u>plan</u> covers a room with 2 or more beds (or the minimum charge for a 2-bed room in the Hospital if a higher priced room is used)</li> <li>Services from Non-Contract providers not registered with CMS are not covered.</li> </ul>
If you are pregnant	Office visits	10% <u>coinsurance</u>	30% <u>coinsurance</u>	<ul style="list-style-type: none"> <li>Maternity care may include tests and services described somewhere else in the SBC (i.e., ultrasound).</li> <li>Services from Non-Contract providers not registered with CMS are limited to \$100/appointment</li> </ul>
	Childbirth/delivery professional services	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Services from Non-Contract providers not registered with CMS are not covered.
	Childbirth/delivery facility services	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Precertification is required only if hospital stay is more than 48 hours for vaginal delivery or 96 hours for C-section. Services from Non-Contract providers not registered with CMS are not covered.
If you need help recovering or have other special health needs	<u>Home health care</u>	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Services from Non-Contract providers not registered with CMS are limited to \$100/appointment.
	<u>Rehabilitation services</u>	10% <u>coinsurance</u>	30% <u>coinsurance</u>	<b>Outpatient:</b> Services from Non-Contract providers not registered with CMS are limited to \$100/appointment. <b>Inpatient:</b> Services from Non-Contract providers not registered with CMS are not covered.
	<u>Habilitation services</u>	Not covered	Not covered	You pay 100% for this service, even in-network.
	<u>Skilled nursing care</u>	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Precertification is recommended. Limited to 70 days per confinement. Services from Non-Contract providers not registered with CMS are not covered.
	<u>Durable medical equipment</u>	10% <u>coinsurance</u>	30% <u>coinsurance</u>	Rental covered up to reasonable purchase price.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract Provider (You will pay the least)	Non-Contract Provider (You will pay the most)	
	<u>Hospice services</u>	10% <u>coinsurance</u>	30% <u>coinsurance</u>	<b>Outpatient:</b> Services from Non-Contract providers not registered with CMS are limited to \$100/appointment. <b>Inpatient:</b> Services from Non-Contract providers not registered with CMS are not covered. Covered if terminally ill. Respite care is limited to 8 days.
If your child needs dental or eye care	Children's eye exam	\$10 <u>copayment</u>	\$10 <u>copayment</u>	Vision benefits are available through a separate vision <u>plan</u> . Your <u>cost sharing</u> does not count toward the medical <u>plan's out-of-pocket limit</u> .
	Children's glasses	\$25 <u>copayment</u> , plus all amounts over \$175 for frames	\$25 <u>copayment</u> , plus all amounts over \$35 for single vision lenses and amount over \$45 for frames	
	Children's dental check-up	Not covered	Not covered	If you elect to purchase a Voluntary Dental Plan, it will be provided under a separate policy.

#### Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other <u>excluded services</u> .)		
<ul style="list-style-type: none"> <li>• Cosmetic surgery</li> <li>• <u>Habilitation services</u></li> </ul>	<ul style="list-style-type: none"> <li>• Infertility treatment</li> <li>• Long-term care</li> </ul>	<ul style="list-style-type: none"> <li>• Private-duty nursing</li> <li>• Weight loss programs</li> </ul>
Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)		
<ul style="list-style-type: none"> <li>• Acupuncture (up to \$35/visit and 20 visits per calendar year)</li> <li>• Bariatric surgery (with precertification)</li> <li>• Chiropractic care (Employee and spouse only. Up to \$25/visit up to 20 visits per calendar year)</li> </ul>	<ul style="list-style-type: none"> <li>• Dental care (Adult) (except under a Voluntary Dental Plan)</li> <li>• Hearing aids (limited to \$800/ear in any 3-year period)</li> </ul>	<ul style="list-style-type: none"> <li>• Non-emergency care when traveling outside the U.S.</li> <li>• Routine eye care (Adult) (under separate vision plan)</li> <li>• Routine foot care</li> </ul>



**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: 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). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact the Trust 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 plan provide Minimum Essential Coverage?** Yes

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet the Minimum Value Standards?** Yes

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

#### 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, ☐ ☐ ☐ ☐ ☐ ☐ ☐ 1-888-547-2054.

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



**This is not a cost estimator.** Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

### Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall <u>deductible</u>	\$128
■ <u>Specialist coinsurance</u>	10%
■ Hospital (facility) <u>coinsurance</u>	10%
■ Other <u>coinsurance</u>	10%

This EXAMPLE event includes services like:

Specialist office visits (*prenatal care*)  
 Childbirth/Delivery Professional Services  
 Childbirth/Delivery Facility Services  
 Diagnostic tests (*ultrasounds and blood work*)  
 Specialist visit (*anesthesia*)

Total Example Cost	\$12,800
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In this example, Peg would pay:

Cost Sharing	
Deductibles	\$128
Copayments	\$90
Coinsurance	\$1,240
What isn't covered	
Limits or exclusions	\$10
<b>The total Peg would pay is</b>	<b>\$1,468</b>

### Managing Joe's type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall <u>deductible</u>	\$128
■ <u>Specialist coinsurance</u>	10%
■ Hospital (facility) <u>coinsurance</u>	10%
■ Other <u>coinsurance</u>	10%

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)  
 Diagnostic tests (*blood work*)  
 Prescription drugs  
 Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
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In this example, Joe would pay:

Cost Sharing	
Deductibles	\$128
Copayments	\$580
Coinsurance	\$290
What isn't covered	
Limits or exclusions	\$60
<b>The total Joe would pay is</b>	<b>\$1,058</b>

### Mia's Simple Fracture

(in-network emergency room visit and follow up care)

■ The plan's overall <u>deductible</u>	\$128
■ <u>Specialist coinsurance</u>	10%
■ Hospital (facility) <u>coinsurance</u>	10%
■ Other <u>coinsurance</u>	10%

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)  
 Diagnostic test (*x-ray*)  
 Durable medical equipment (*crutches*)  
 Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,900
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In this example, Mia would pay:

Cost Sharing	
Deductibles	\$128
Copayments	\$0
Coinsurance	\$180
What isn't covered	
Limits or exclusions	\$0
<b>The total Mia would pay is</b>	<b>\$308</b>



The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately.

This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage see [www.kp.org/plandocuments](http://www.kp.org/plandocuments) or call 1-800-278-3296 (TTY: 711). For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other underlined terms see the Glossary. You can view the Glossary at <http://www.healthcare.gov/sbc-glossary> or call 1-800-278-3296 (TTY: 711) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <a href="#">deductible</a> ?	\$0	See the Common Medical Events chart below for your costs for services this <a href="#">plan</a> covers.
Are there services covered before you meet your <a href="#">deductible</a> ?	Not Applicable.	This <a href="#">plan</a> covers some items and services even if you haven't yet met the <a href="#">deductible</a> amount. But a <a href="#">copayment</a> or <a href="#">coinsurance</a> may apply. For example, this <a href="#">plan</a> covers certain <a href="#">preventive services</a> without <a href="#">cost-sharing</a> and before you meet your <a href="#">deductible</a> . See a list of covered <a href="#">preventive services</a> at <a href="https://www.healthcare.gov/coverage/preventive-care-benefits/">https://www.healthcare.gov/coverage/preventive-care-benefits/</a> .
Are there other <a href="#">deductibles</a> for specific services?	No.	You don't have to meet <a href="#">deductibles</a> for specific services.
What is the <a href="#">out-of-pocket limit</a> for this <a href="#">plan</a> ?	\$1,500 Individual / \$3,000 Family	The <a href="#">out-of-pocket limit</a> is the most you could pay in a year for covered services. If you have other family members in this <a href="#">plan</a> , they have to meet their own <a href="#">out-of-pocket limits</a> until the overall family <a href="#">out-of-pocket limit</a> has been met.
What is not included in the <a href="#">out-of-pocket limit</a> ?	<a href="#">Premiums</a> , and health care services this <a href="#">plan</a> doesn't cover, indicated in chart starting on page 2.	Even though you pay these expenses, they don't count toward the <a href="#">out-of-pocket limit</a> .
Will you pay less if you use a <a href="#">network provider</a> ?	Yes. See <a href="http://www.kp.org">www.kp.org</a> or call 1-800-278-3296 (TTY: 711) for a list of <a href="#">network providers</a> .	This <a href="#">plan</a> uses a <a href="#">provider network</a> . You will pay less if you use a <a href="#">provider</a> in the <a href="#">plan's network</a> . You will pay the most if you use an <a href="#">out-of-network provider</a> , and you might receive a bill from a <a href="#">provider</a> for the difference between the <a href="#">provider's</a> charge and what your <a href="#">plan</a> pays ( <a href="#">balance billing</a> ). Be aware your <a href="#">network provider</a> might use an <a href="#">out-of-network provider</a> for some services (such as lab work). Check with your <a href="#">provider</a> before you get services.
Do you need a <a href="#">referral</a> to see a <a href="#">specialist</a> ?	Yes, but you may self-refer to certain <a href="#">specialists</a> .	This <a href="#">plan</a> will pay some or all of the costs to see a <a href="#">specialist</a> for covered services but only if you have a <a href="#">referral</a> before you see the <a href="#">specialist</a> .



All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
If you visit a health care <a href="#">provider's</a> office or clinic	Primary care visit to treat an injury or illness	\$20 / visit	Not Covered	None
	<a href="#">Specialist</a> visit	\$20 / visit	Not Covered	None
	<a href="#">Preventive care/screening/immunization</a>	No Charge	Not Covered	You may have to pay for services that aren't <a href="#">preventive</a> . Ask your <a href="#">provider</a> if the services needed are <a href="#">preventive</a> . Then check what your <a href="#">plan</a> will pay for.
If you have a test	<a href="#">Diagnostic test</a> (x-ray, blood work)	No Charge	Not Covered	None
	Imaging (CT/PET scans, MRIs)	No Charge	Not Covered	None
If you need drugs to treat your illness or condition  More information about <a href="#">prescription drug coverage</a> is available at <a href="http://www.kp.org/formulary">www.kp.org/formulary</a>	Generic drugs	\$10 / prescription	Not Covered	Up to a 30-day supply retail or 100-day supply mail order. Subject to <a href="#">formulary</a> guidelines. No Charge for Contraceptives, <a href="#">deductible</a> does not apply.
	Preferred brand drugs	\$30 / prescription	Not Covered	Up to a 30-day supply retail or 100-day supply mail order. Subject to <a href="#">formulary</a> guidelines. No Charge for Contraceptives, <a href="#">deductible</a> does not apply.
	Non-preferred brand drugs	Same as preferred brand drugs	Not Covered	Same as preferred brand drugs when approved through exception process.
	<a href="#">Specialty drugs</a>	20% <a href="#">coinsurance</a> up to \$150 / prescription	Not Covered	Up to a 30-day supply retail. Subject to <a href="#">formulary</a> guidelines.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	\$20 / procedure	Not Covered	None
	Physician/surgeon fees	No Charge	Not Covered	None

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
If you need immediate medical attention	<a href="#">Emergency room care</a>	\$50 / visit	\$50 / visit	None
	<a href="#">Emergency medical transportation</a>	No Charge	No Charge	None
	<a href="#">Urgent care</a>	\$20 / visit	\$20 / visit	Non- <a href="#">Plan providers</a> covered when temporarily outside the service area.
If you have a hospital stay	Facility fee (e.g., hospital room)	No Charge	Not Covered	None
	Physician/surgeon fees	No Charge	Not Covered	None
If you need mental health, behavioral health, or substance abuse services	Outpatient services	<b>Mental / Behavioral Health:</b> \$20 / individual visit. No Charge for other outpatient services; <b>Substance Abuse:</b> \$20 / individual visit. \$5 / day for other outpatient services	Not Covered	Mental / Behavioral health: \$10 / group visit; Substance Abuse: \$5 / group visit
	Inpatient services	No Charge	Not Covered	None
If you are pregnant	Office visits	No Charge	Not Covered	Depending on the type of services, a <a href="#">copayment</a> , <a href="#">coinsurance</a> , or <a href="#">deductible</a> may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound.)
	Childbirth/delivery professional services	No charge	Not Covered	None
	Childbirth/delivery facility services	No Charge	Not Covered	None
If you need help recovering or have other special health	<a href="#">Home health care</a>	No Charge	Not Covered	Up to 2 hours maximum / visit, up to 3 visits maximum / day, up to 100 visits maximum / year.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
needs	<a href="#">Rehabilitation services</a>	Inpatient: No Charge Outpatient: \$20 / visit	Not Covered	None
	<a href="#">Habilitation services</a>	\$20 / visit	Not Covered	None
	<a href="#">Skilled nursing care</a>	No Charge	Not Covered	Up to 100 days maximum / benefit period
	<a href="#">Durable medical equipment</a>	No Charge	Not Covered	Subject to <a href="#">formulary</a> guidelines. Requires prior authorization.
	<a href="#">Hospice services</a>	No Charge	Not Covered	None
If your child needs dental or eye care	Children's eye exam	No Charge	Not Covered	None
	Children's glasses	Amounts in excess of \$125 allowance	Not Covered	Allowance limited to once every 24 months.
	Children's dental check-up	Not Covered	Not Covered	None

#### Excluded Services & Other Covered Services:

Services Your <a href="#">Plan</a> Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other <a href="#">excluded services</a> .)		
<ul style="list-style-type: none"> <li>Children's glasses</li> <li>Cosmetic surgery</li> <li>Dental Care (Adult &amp; Child)</li> </ul>	<ul style="list-style-type: none"> <li>Long-term care</li> <li>Non-emergency care when traveling outside the U.S.</li> <li>Private-duty nursing</li> </ul>	<ul style="list-style-type: none"> <li>Routine foot care</li> <li>Weight loss programs</li> </ul>

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your <a href="#">plan</a> document.)		
<ul style="list-style-type: none"> <li>Acupuncture (Plan provider referred)</li> <li>Bariatric surgery</li> </ul>	<ul style="list-style-type: none"> <li>Chiropractic care (30 visit limit / year)</li> <li>Hearing aids (\$2500 limit / ear every 36 months)</li> </ul>	<ul style="list-style-type: none"> <li>Infertility treatment</li> <li>Routine eye care (Adult)</li> </ul>

**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is shown in the chart below. Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance [Marketplace](#). For more information about the [Marketplace](#), visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the explanation of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact the agencies in the chart below.

**Contact Information for Your Rights to Continue Coverage & Your Grievance and Appeals Rights:**

Kaiser Permanente Member Services	1-800-278-3296 (TTY: 711) or <a href="http://www.kp.org/memberservices">www.kp.org/memberservices</a>
Department of Labor's Employee Benefits Security Administration	1-866-444-EBSA (3272) or <a href="http://www.dol.gov/ebsa/healthreform">www.dol.gov/ebsa/healthreform</a>
Department of Health & Human Services, Center for Consumer Information & Insurance Oversight	1-877-267-2323 x61565 or <a href="http://www.cciio.cms.gov">www.cciio.cms.gov</a>
California Department of Insurance	1-800-927-HELP (4357) or <a href="http://www.insurance.ca.gov">www.insurance.ca.gov</a>
California Department of Managed Healthcare	1-888-466-2219 or <a href="http://www.healthhelp.ca.gov/">www.healthhelp.ca.gov/</a>

**Does this plan provide Minimum Essential Coverage? Yes**

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet the Minimum Value Standards? Yes**

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

**Language Access Services:**

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-788-0616 (TTY: 711)

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-278-3296 (TTY: 711)

Chinese (中文): 如果需要中文的帮助, ☎☎打☎个号☎1-800-757-7585 (TTY: 711)

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-800-278-3296 (TTY: 711)

-----To see examples of how this plan might cover costs for a sample medical situation, see the next section.-----

## About these Coverage Examples:



**This is not a cost estimator.** Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

### Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$0
■ <a href="#">Specialist copayment</a>	\$20
■ Hospital (facility) <a href="#">copayment</a>	\$0
■ Other (blood work) <a href="#">copayment</a>	\$0

This EXAMPLE event includes services like:

Specialist office visits (*prenatal care*)  
 Childbirth/Delivery Professional Services  
 Childbirth/Delivery Facility Services  
 Diagnostic tests (*ultrasounds and blood work*)  
 Specialist visit (*anesthesia*)

<b>Total Example Cost</b>	<b>\$12,800</b>
---------------------------	-----------------

In this example, Peg would pay:

Cost Sharing	
Deductibles	\$0
Copayments	\$30
Coinsurance	\$0
What isn't covered	
Limits or exclusions	\$60
<b>The total Peg would pay is</b>	<b>\$90</b>

### Managing Joe's type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$0
■ <a href="#">Specialist copayment</a>	\$20
■ Hospital (facility) <a href="#">copayment</a>	\$0
■ Other (blood work) <a href="#">copayment</a>	\$0

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)  
 Diagnostic tests (*blood work*)  
 Prescription drugs  
 Durable medical equipment (*glucose meter*)

<b>Total Example Cost</b>	<b>\$7,400</b>
---------------------------	----------------

In this example, Joe would pay:

Cost Sharing	
Deductibles	\$0
Copayments	\$1,000
Coinsurance	\$0
What isn't covered	
Limits or exclusions	\$50
<b>The total Joe would pay is</b>	<b>\$1,050</b>

### Mia's Simple Fracture

(in-network emergency room visit and follow up care)

■ The <a href="#">plan's</a> overall <a href="#">deductible</a>	\$0
■ <a href="#">Specialist copayment</a>	\$20
■ Hospital (facility) <a href="#">copayment</a>	\$0
■ Other (x-ray) <a href="#">copayment</a>	\$0

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)  
 Diagnostic test (*x-ray*)  
 Durable medical equipment (*crutches*)  
 Rehabilitation services (*physical therapy*)

<b>Total Example Cost</b>	<b>\$1,900</b>
---------------------------	----------------

In this example, Mia would pay:

Cost Sharing	
Deductibles	\$0
Copayments	\$200
Coinsurance	\$0
What isn't covered	
Limits or exclusions	\$0
<b>The total Mia would pay is</b>	<b>\$200</b>

The [plan](#) would be responsible for the other costs of these EXAMPLE covered services.



**CARPENTERS HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA**

265 Hegenberger Road, Suite 100

P.O. Box 2280

Oakland, California 94621-0180

Tel. (510) 633-0333 ✧ (888) 547-2054 ✧ Fax (510) 633-0215

[www.carpenterfunds.com](http://www.carpenterfunds.com)



July 24, 2020

**To: All Retired Plan Participants and their Beneficiaries**

➤ *Indemnity Plan / Eligible for Medicare*

**From: BOARD OF TRUSTEES**

**Carpenters Health and Welfare Trust Fund for California**

**Re: SUMMARY OF BENEFITS AND COVERAGE (SBC) required by the Affordable Care Act (ACA)**

As required by law, group health plans like ours are providing plan participants with a Summary of Benefits and Coverage (SBC) as a way to help understand and compare medical benefits. The SBC provides a brief overview of the medical plan benefits provided by the Carpenters Health and Welfare Trust Fund for California. Please share this SBC with your family members who are also covered by the Plan.

Each SBC contains concise medical plan information in plain language about benefits and coverage. This includes what is covered, what you need to pay for various benefits, what is not covered, and where to go for more information or to get answers to questions. Government regulations are very specific about the information that can and cannot be included in each SBC. The Plan is not allowed to customize much of the SBC. An SBC includes:

- A health plan comparison tool called “Coverage Examples.” These examples illustrate how the medical plan covers care for two common health scenarios: having a baby and diabetes care. These examples show the projected total costs associated with each of these two situations, how much of these costs the Plan covers and how much you, the participant, need to pay. In these examples, it’s important to note that the costs are national averages and do not reflect what the actual services might cost in your area. Plus, the cost for your treatment might also be very different depending on your doctor’s approach, whether your doctor is an In-Network PPO Provider or a Non-PPO Provider, your age and any other health issues you may also have. These examples are there to help you compare how different health plans might cover the same condition—not for predicting your own actual costs.
- A link to a “Glossary” of common terms used in describing health benefits, including words such as “*deductible*,” “*co-payment*,” and “*co-insurance*.” The glossary is standard and cannot be customized by a Plan.
- Websites and toll-free phone numbers you can contact if you have questions or need assistance with benefits.

Please keep this notice with your benefit booklet. If you have any questions, please call Benefit Services at the Trust Fund Office at (510) 633-0333 or toll free at (888) 547-2054. You may also send an email to [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com)

## Summary of Benefits and Coverage: What this Plan Covers & What You Pay For Covered Services

### Carpenters Health & Welfare Trust Fund for California: Medicare Retiree Plan

Coverage Period: 09/01/2020 – 08/31/2021  
Coverage for: Individual + Family | Plan Type: PPO



The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately. This is **only a summary**. For more information about your coverage, or to get a copy of the complete terms of coverage, visit [www.carpenterfunds.com](http://www.carpenterfunds.com) or call 1-888-547-2054. For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at [www.carpenterfunds.com](http://www.carpenterfunds.com) or call 1-888-547-2054 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u> ?	\$128/individual per calendar year	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> .
Are there services covered before you meet your <u>deductible</u> ?	No.	You will have to meet the <u>deductible</u> before the <u>plan</u> pays for any services.
Are there other <u>deductibles</u> for specific services?	Yes. \$360/individual per calendar year for covered <u>prescription drugs</u> . There are no other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this <u>plan</u> begins to pay for these services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u> ?	Not Applicable	This <u>plan</u> does not have an <u>out-of-pocket limit</u> on your expenses.
What is not included in the <u>out-of-pocket limit</u> ?	Not Applicable	This <u>plan</u> does not have an <u>out-of-pocket limit</u> on your expenses.
Will you pay less if you use a <u>network provider</u> ?	Yes. See <a href="http://www.anthem.com/ca">www.anthem.com/ca</a> or call 1-888-547-2054 for a list of Contract <u>providers</u> in California. See <a href="http://www.bcbs.com">www.bcbs.com</a> or call 1-800-810-2583 for a list of Contract <u>providers</u> outside the state of California.	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the <u>plan's network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the <u>provider's</u> charge and what your <u>plan</u> pays ( <u>balance billing</u> ). Be aware your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u> ?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .



All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract <u>Provider</u> (You will pay the least)	Non-Contract <u>Provider</u> (You will pay the most)	
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
	<u>Specialist</u> visit	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
	<u>Preventive care/screening/Immunization</u>	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	<ul style="list-style-type: none"> <li>Benefits paid by this Plan are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.</li> <li>You may have to pay for services that aren't preventive. Ask your <u>provider</u> if the services needed are preventive. Then check what your <u>plan</u> will pay for.</li> </ul>
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	<ul style="list-style-type: none"> <li>Physician/provider's professional fees may be billed separately</li> <li>Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.</li> </ul>
	Imaging (CT/PET scans, MRIs)	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract <u>Provider</u> (You will pay the least)	Non-Contract <u>Provider</u> (You will pay the most)	
<b>If you need drugs to treat your illness or condition</b> More information about <b><u>prescription drug coverage</u></b> is available at <a href="http://www.express-scripts.com">www.express-scripts.com</a> or call 1-800-939-7093.	Generic drugs (Initial Coverage Stage)	Retail Pharmacy (maximum 30-day supply): \$10 <u>copayment</u> /fill. Mail Order (90-day supply): \$20 <u>copayment</u> /fill.	You pay 100%	<ul style="list-style-type: none"> <li>Prescription drugs are subject to a separate \$360/individual <u>deductible</u> per calendar year.</li> <li>During the Coverage Gap Stage, you pay 25% <u>coinsurance</u> for Brand drugs and 25% <u>coinsurance</u> for Generic drugs</li> <li>After you pay \$6,350 out of pocket for Part D drugs, you move to the "Catastrophic Coverage Stage". During this stage, you pay the <b>greater</b> of either \$3.60 <u>copayment</u>/fill for a generic or preferred brand drug that is a multi-source drug and \$8.95 <u>copayment</u>/fill for all other drugs, with a maximum not to exceed the standard cost-sharing amount during the initial coverage stage; OR 5% <u>coinsurance</u> of the total cost.</li> </ul>
	Preferred brand drugs (Initial Coverage Stage)	Retail Pharmacy (30-day supply): \$40 <u>copayment</u> /fill. Mail Order (90-day supply): \$80 <u>copayment</u> /fill.		
	Non-preferred brand drugs (Initial Coverage Stage)	Retail Pharmacy (30 -day supply): \$60 <u>copayment</u> /fill. Mail Order (90-day supply): \$120 <u>copayment</u> /fill		
	<u>Specialty drugs</u> (Initial Coverage Stage)	Retail and Mail Order: 25% <u>coinsurance</u> for a 30-day supply.	You pay 100%	Specialty drugs are available only from the Mail Order Pharmacy (except certain emergency drugs may be provided by a retail Participating Pharmacy).
<b>If you have outpatient surgery</b>	Facility fee (e.g., ambulatory surgery center)	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
	Physician/surgeon fees	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
<b>If you need immediate medical attention</b>	<u>Emergency room care</u>	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	<ul style="list-style-type: none"> <li>Physician/provider's professional fees may be billed separately</li> <li>Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.</li> </ul>
	<u>Emergency medical transportation</u>	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	
	<u>Urgent care</u>	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract <u>Provider</u> (You will pay the least)	Non-Contract <u>Provider</u> (You will pay the most)	
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 (if the <u>provider</u> accepted Medicare assignment of benefits).	The <u>Plan</u> will pay the Medicare Part A Hospital deductible for the first 60 days of each Medicare benefit period for covered Hospital services. Medicare Part A <u>Coinsurance</u> days are not covered by this Plan.
	Physician/surgeon fees	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
If you need mental health, behavioral health, or substance abuse services	Outpatient services	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
	Inpatient services	No charge for the first 60 days of an admission.	No charge for the first 60 days of an admission (if the <u>provider</u> accepted Medicare assignment of benefits).	The <u>Plan</u> will pay the Medicare Part A Hospital deductible for the first 60 days of each Medicare benefit period for covered Hospital services. Medicare Part A <u>Coinsurance</u> days are not covered by this Plan.
If you are pregnant	Office visits	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	<ul style="list-style-type: none"> <li>Benefits paid by this Plan are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.</li> <li>Maternity care may include tests and services described somewhere else in the SBC (i.e., ultrasound).</li> </ul>
	Childbirth/delivery professional services	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
	Childbirth/delivery facility services	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
If you need help recovering or have other special health needs	<u>Home health care</u>	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
	<u>Rehabilitation services</u>	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
	<u>Habilitation services</u>	Not covered	Not covered	You pay 100% for this service, even <u>in-network</u> .
	<u>Skilled nursing care</u>	Not covered	Not covered	Plan pays only the Medicare Part A <u>Deductible</u> . You pay 100% for this service, even <u>in-network</u> .

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Contract <u>Provider</u> (You will pay the least)	Non-Contract <u>Provider</u> (You will pay the most)	
	<u>Durable medical equipment</u>	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
	<u>Hospice services</u>	No charge	No charge if the <u>provider</u> accepted Medicare assignment of benefits.	Benefits paid by this <u>Plan</u> are reduced by the amounts payable under Medicare Parts A and B even if the Medicare-eligible individual is not yet enrolled in Medicare.
If your child needs dental or eye care	Children's eye exam	Not covered	Not covered	Vision benefits are available through a separate vision <u>plan</u> .
	Children's glasses	Not covered	Not covered	
	Children's dental check-up	Not covered	Not covered	If you elect to purchase a Voluntary Dental <u>Plan</u> , it will be provided under a separate policy.

#### Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other <u>excluded services</u> .)		
<ul style="list-style-type: none"> <li>Acupuncture</li> <li>Bariatric surgery</li> <li>Cosmetic surgery</li> </ul>	<ul style="list-style-type: none"> <li><u>Habilitation services</u></li> <li>Infertility treatment</li> <li>Long-term care</li> </ul>	<ul style="list-style-type: none"> <li>Private-duty nursing</li> <li><u>Skilled Nursing Care</u></li> <li>Weight loss programs</li> </ul>
Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)		
<ul style="list-style-type: none"> <li>Chiropractic care</li> <li>Dental care (Adult, Child) (if you elect the optional Dental Plan)</li> </ul>	<ul style="list-style-type: none"> <li>Hearing aids (limited to \$800/ear in any 3-year period)</li> </ul>	<ul style="list-style-type: none"> <li>Routine eye care (Adult, Child) (under separate vision plan)</li> <li>Routine foot care</li> </ul>



**Your Rights to Continue Coverage:** There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: 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). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596.

**Your Grievance and Appeals Rights:** There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact the Trust 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 plan provide Minimum Essential Coverage?** Yes

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

**Does this plan meet the Minimum Value Standards?** Yes

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

#### 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, ☐ ☐ ☐ ☐ ☐ ☐ ☐ 1-888-547-2054.

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

#### IMPORTANT:

The results of the coverage examples for this Medicare Supplement Plan shown on the next page assume the following:

- (1) Medicare is the primary payer and that participants are enrolled in Medicare Part A, B and D.
- (2) The plan uses the coordination method to integrate with Medicare.
- (3) The allowed amounts used in the examples are assumed to be the same as allowed under Medicare.
- (4) Examples reflect the 2017 Medicare deductible amounts (which is generally higher each new calendar year).
- (5) The Plan only pays the eligible portion of covered services that Medicare does not pay.



**This is not a cost estimator.** Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

### Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall <u>deductible</u>	\$128
■ <u>Specialist coinsurance</u>	0%
■ Hospital (facility) <u>coinsurance</u>	0%
■ Other <u>coinsurance</u>	0%

This EXAMPLE event includes services like:

Specialist office visits (*prenatal care*)  
 Childbirth/Delivery Professional Services  
 Childbirth/Delivery Facility Services  
 Diagnostic tests (*ultrasounds and blood work*)  
 Specialist visit (*anesthesia*)

Total Example Cost	\$12,800
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In this example, Peg would pay:

Cost Sharing	
Deductibles	\$210
Copayments	\$0
Coinsurance	\$0
What isn't covered	
Limits or exclusions	\$10
<b>The total Peg would pay is</b>	<b>\$220</b>

### Managing Joe's type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall <u>deductible</u>	\$128
■ <u>Specialist coinsurance</u>	0%
■ Hospital (facility) <u>coinsurance</u>	0%
■ Other <u>coinsurance</u>	0%

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)  
 Diagnostic tests (*blood work*)  
 Prescription drugs  
 Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
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In this example, Joe would pay:

Cost Sharing	
Deductibles	\$490
Copayments	\$690
Coinsurance	\$0
What isn't covered	
Limits or exclusions	\$60
<b>The total Joe would pay is</b>	<b>\$1,240</b>

### Mia's Simple Fracture

(in-network emergency room visit and follow up care)

■ The plan's overall <u>deductible</u>	\$128
■ <u>Specialist coinsurance</u>	0%
■ Hospital (facility) <u>coinsurance</u>	0%
■ Other <u>coinsurance</u>	0%

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)  
 Diagnostic test (*x-ray*)  
 Durable medical equipment (*crutches*)  
 Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,900
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In this example, Mia would pay:

Cost Sharing	
Deductibles	\$128
Copayments	\$0
Coinsurance	\$0
What isn't covered	
Limits or exclusions	\$0
<b>The total Mia would pay is</b>	<b>\$128</b>



**CARPENTER FUNDS ADMINISTRATIVE OFFICE  
OF NORTHERN CALIFORNIA, INC.**

265 Hegenberger Road, Suite 100 ♦ P.O. Box 2280  
Oakland, California 94621-0180  
Tel. (510) 633-0333 ♦ (888) 547-2054 ♦ Fax (510) 633-0215  
www.carpenterfunds.com



**July 24, 2020**

**To: All Retired Participants and Dependents of the Carpenters Health and Welfare Trust Fund for California, including COBRA Beneficiaries**

**From: Board of Trustees**

**Re: Important Information about Your Medical Plan**

**Medicare Advantage Plans are subject to many of their own requirements, which may or may not include those noted here. Be sure to contact your HMO for more information about your Medicare Advantage Plan.**

**IMPORTANT REMINDER TO PROVIDE THE PLAN WITH THE TAXPAYER IDENTIFICATION NUMBER (TIN) OR SOCIAL SECURITY NUMBER (SSN) OF EACH ENROLLEE IN YOUR HEALTH PLAN**

Certain entities, including the trustees of a group health plan, are required by law to collect the Taxpayer Identification Number (TIN) or Social Security Number (SSN) of each medical plan participant and provide that number on reports that will be provided to the IRS each year. These entities are required to make at least two consecutive attempts to gather missing TINs/SSNs.

If a dependent does not yet have a Social Security Number, visit <http://www.socialsecurity.gov/online/ss-5.pdf> for the form to request a SSN. Applying for a Social Security Number is FREE.

If you have not yet provided the Social Security Number (or other TIN) for each of your dependents enrolled in the health plan, please contact the Fund Office at (510) 633-0333 or toll free at (888) 547-2054.

**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)  
NOTICE OF PRIVACY PRACTICES FOR PROTECTED HEALTH INFORMATION (PHI) REMINDER**

The Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires health plans to comply with privacy rules. These rules are intended to protect your personal health information from being inappropriately used and disclosed. The rules also give you additional rights concerning control of your own healthcare information.

This Plan's HIPAA Notice of Privacy Practices explains how the Carpenters Health and Welfare Trust Fund for California uses and discloses your personal health information. You are provided a copy of this Notice when you enroll in the Plan. To obtain another copy of this Notice write the Trust Fund Office in care of: HIPAA Privacy Officer, 265 Hegenberger Road, Suite 100, Oakland, CA 94621. You may also request a copy by calling (510) 633-0333, or toll free at (888) 547-2054 visiting our website at [www.carpenterfunds.com](http://www.carpenterfunds.com), or emailing, [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com).

HIPAA Privacy Notices that pertain to the HMOs (prepaid medical and drug plans) may be obtained by contacting the HMO directly at the address provided in the Summary Plan Description or Evidence of Coverage, or by calling Kaiser at (800) 464-4000.

### **WOMEN'S HEALTH AND CANCER RIGHTS ACT (WHCRA)**

You or your dependents may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles, copayments, and coinsurance applicable to other medical and surgical benefits under the various medical plans offered by the Carpenters Health and Welfare Trust Fund for California. For more information on WHCRA benefits, contact the Trust Fund Office or your medical plan directly at one of the following phone numbers:

Kaiser: 1(800) 464-4000  
 Indemnity: 1(888) 547-2054 (Claims Department)

### **SPECIAL EXTENSION OF COVERAGE FOR CERTAIN DEPENDENT STUDENTS ON A MEDICALLY NECESSARY LEAVE OF ABSENCE – MICHELLE'S LAW**

*This only applies to children of a Domestic Partner and children who are covered as a result of legal guardianship and must be full-time students in order to be covered after age 19.*

If you have a dependent child that is over the age of 18 and is enrolled in a post-secondary institution (i.e. college or university) and the Plan receives a written certification from a covered child's treating physician that:

- (1) the child is suffering from a serious illness or injury, and
- (2) a leave of absence (or other change in enrollment) from a post-secondary institution is medically necessary, and the loss of postsecondary student status would result in a loss of health coverage under the Plan, then

the Plan will extend the child's coverage for up to one year.

This maximum one-year extension of coverage begins on the first day of the medically necessary leave of absence (or other change in enrollment) and ends on the date that is the **earlier** of (1) one year later, or (2) the date on which coverage would otherwise terminate under the terms of the Plan. Contact the Trust Fund Office at (510) 633-0333 or toll free at (888) 547-2054 for more information.

### **HOSPITAL LENGTH OF STAY FOR CHILDBIRTH**

Under federal law, group health plans, like this Plan, generally may not restrict benefits for any hospital length of stay in connection with childbirth for the mother or the newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, the Plan may pay for a shorter stay if the attending Physician, after consultation with the mother, discharges the mother or newborn earlier. Also, under federal law, plans may not set the level of benefits or out-of-pocket costs so that any later portion of the 48-hour (or 96-hour) stay is treated in a manner less favorable to the mother or newborn than any earlier portion of the stay. In addition, the Plan may not, under federal law, require that a Physician obtain authorization for prescribing a length of stay of up to 48 hours (or 96 hours). However, to use certain providers or facilities, or to reduce your out-of-pocket costs, you may be required to obtain pre-authorization.

### **DISCLOSURE OF “GRANDFATHERED” STATUS**

This group health Plan believes that the Fund’s Indemnity Medical Plan is considered to be “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 already in effect when that law was enacted.

Being a grandfathered health plan means that certain consumer protections of the Affordable Care Act that apply to other plans may not be required. 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 Trust Fund Office at (510) 633-0333 or Toll Free at (888) 547-2054. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or <http://www.dol.gov/ebsa/healthreform/>. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

### **PATIENT PROTECTION RIGHTS OF THE AFFORDABLE CARE ACT (ENROLLED IN THE KAISER PLANS ONLY)**

The Kaiser medical plan generally allows the designation of a primary care provider (PCP). You have the right to designate any primary care provider who participates in the network and who is available to accept you or your family members. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact Kaiser at 1-800-464-4000. Medicare Advantage Plans are subject to many of their own requirements, be sure to contact Kaiser at 1-800-464-4000 for more information about your Medicare Advantage Plan.

## **DIRECT ACCESS TO OBSTETRICAL / GYNECOLOGICAL PROVIDERS (KAISER PLANS ONLY)**

You do not need prior authorization (pre-approval) from Kaiser or from any other person (including a primary care provider) in order to obtain access to obstetrical or gynecological (OB/GYN) care from an in-network health care professional who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals. For a list of participating health care professionals who specialize in obstetrics or gynecology, contact Kaiser at 1-800-464-4000. Medicare Advantage Plans are subject to many of their own requirements, be sure to contact Kaiser at 1-800-464-4000 for more information about your Medicare Advantage Plan.

## **REPORTING REQUIREMENTS UNDER THE AFFORDABLE CARE ACT AND STATE MANDATES**

As required by the Affordable Care Act, each year, you will receive an IRS form (called Form 1095-B) in the mail if you or your dependents have been covered under a medical plan during the year. For each month of the calendar year that you were enrolled in a medical plan, Form 1095-B documents that you (and any enrolled family members) met the federal requirement to have “minimum essential coverage,” meaning group medical plan coverage. Starting in 2020, you may have to pay a penalty if you do not have qualifying health insurance or an “exemption”. The penalty will be applied by the California Franchise Tax Board when you file your state tax return. For information about the penalty, including the amount your family could owe for not having coverage in 2020, visit the Franchise Tax Board’s website. If you live outside California, check with your State to see if a penalty applies.

If you receive a 1095 form, you will want to keep this form in a safe place because you may need to produce it if requested by the IRS. (For large employers, a copy of the form 1095 will also be provided to the IRS.)

Reminder: if you have not been covered by a medical plan during the last calendar year you will not receive a Form 1095-B. If you have been covered by various medical plans during the calendar year, you may receive more than one IRS form.

## **PREMIUM ASSISTANCE UNDER MEDICAID AND THE CHILDREN’S HEALTH INSURANCE PROGRAM (CHIP)**

If you or your children are eligible for Medicaid or CHIP and you are eligible for health coverage from your employer, your State may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren’t eligible for Medicaid or CHIP, you will not be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit **[www.healthcare.gov](http://www.healthcare.gov)**.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed on the following pages, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **[www.insurekidsnow.gov](http://www.insurekidsnow.gov)** to find out how to apply. If you qualify, ask your State if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you are not already enrolled. This is called a “special enrollment” opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at [www.askebsa.dol.gov](http://www.askebsa.dol.gov) or call **1-866-444-EBSA (3272)**.

**If you live in one of the following States, you may be eligible for assistance paying your employer health plan premiums. The following list of States is current as of January 31, 2020. Contact your State for further information on eligibility**

<b>ALABAMA – Medicaid</b>	<b>ALASKA – Medicaid</b>	<b>ARKANSAS - Medicaid</b>
Website: <a href="http://myalhipp.com/">http://myalhipp.com/</a> Phone: 1-855-692-5447	The AK Health Insurance Premium Payment Program Website: <a href="http://myakhipp.com/">http://myakhipp.com/</a> Phone: 1-866-251-4861 Email: <a href="mailto:CustomerService@MyAKHIPP.com">CustomerService@MyAKHIPP.com</a> Medicaid Eligibility: <a href="http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx">http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx</a>	Website: <a href="http://myarhipp.com/">http://myarhipp.com/</a> Phone: 1-855-MyARHIPP (1-855-692-7447)
<b>CALIFORNIA - Medicaid</b>	<b>COLORADO – Health First Colorado (Colorado’s Medicaid Program) &amp; Child Health Plan Plus (CHP+)</b>	<b>FLORIDA – Medicaid</b>
Website: <a href="https://www.dhcs.ca.gov/services/Pages/TPLRD_CA_U_cont.aspx">https://www.dhcs.ca.gov/services/Pages/TPLRD_CA_U_cont.aspx</a> Phone: 1-800-541-5555	Health First Colorado Website: <a href="https://www.healthfirstcolorado.com/">https://www.healthfirstcolorado.com/</a> Health First Colorado Member Contact Center: 1-800-221-3943/ State Relay 711 CHP+ Website: <a href="https://www.colorado.gov/pacific/hcpf/child-health-plan-plus">https://www.colorado.gov/pacific/hcpf/child-health-plan-plus</a> CHP+ Customer Service: 1-800-359-1991/ State Relay 711	Website: <a href="http://flmedicaidtplrecovery.com/hipp/">http://flmedicaidtplrecovery.com/hipp/</a> Phone: 1-877-357-3268
<b>GEORGIA – Medicaid</b>	<b>INDIANA – Medicaid</b>	<b>IOWA – Medicaid and CHIP (Hawki)</b>
Website: <a href="https://medicaid.georgia.gov/health-insurance-premium-payment-program-hipp">https://medicaid.georgia.gov/health-insurance-premium-payment-program-hipp</a> Phone: 1-678-564-1162 ext. 2131	Healthy Indiana Plan for low-income adults 19-64 Website: <a href="http://www.in.gov/fssa/hip/">http://www.in.gov/fssa/hip/</a> Phone: 1-877-438-4479 All other Medicaid Website: <a href="http://www.indianamedicaid.com">http://www.indianamedicaid.com</a> Phone: 1-800-403-0864	Medicaid Website: <a href="https://dhs.iowa.gov/ime/members">https://dhs.iowa.gov/ime/members</a> Medicaid Phone: 1-800-338-8366 Hawki Website: <a href="http://dhs.iowa.gov/Hawki">http://dhs.iowa.gov/Hawki</a> Hawki Phone: 1-800-257-8563

<b>KANSAS – Medicaid</b> Website: <a href="http://www.kdheks.gov/hcf/default.htm">http://www.kdheks.gov/hcf/default.htm</a> Phone: 1-800-792-4884	<b>KENTUCKY – Medicaid</b> Kentucky Integrated Health Insurance Premium Payment Program (KI-HIPP) Website: <a href="https://chfs.ky.gov/agencies/dms/member/Pages/kihipp.aspx">https://chfs.ky.gov/agencies/dms/member/Pages/kihipp.aspx</a> Phone: 1-855-459-6328 Email: <a href="mailto:KIHIPPPROGRAM@ky.gov">KIHIPPPROGRAM@ky.gov</a>  KCHIP Website: <a href="https://kidshealth.ky.gov/Pages/index.aspx">https://kidshealth.ky.gov/Pages/index.aspx</a> Phone: 1-877-524-4718  Kentucky Medicaid Website: <a href="https://chfs.ky.gov">https://chfs.ky.gov</a>	<b>LOUISIANA – Medicaid</b> Website: <a href="http://www.medicaid.la.gov">www.medicaid.la.gov</a> or <a href="http://www.ldh.la.gov/lahipp">www.ldh.la.gov/lahipp</a> Phone: 1-888-342-6207 (Medicare hotline) or 1-855-618-5488 (LaHIPP)
<b>MAINE – Medicaid</b> Website: <a href="http://www.maine.gov/dhhs/ofi/public-assistance/index.html">http://www.maine.gov/dhhs/ofi/public-assistance/index.html</a> Phone: 1-800-442-6003 TTY: Maine relay 711	<b>MASSACHUSETTS – Medicaid and CHIP</b> Website: <a href="http://www.mass.gov/eohhs/gov/departments/masshealth/">http://www.mass.gov/eohhs/gov/departments/masshealth/</a> Phone: 1-800-862-4840	<b>MINNESOTA – Medicaid</b> Website: <a href="https://mn.gov/dhs/people-we-serve/children-and-families/health-care/health-care-programs/programs-and-services/medical-assistance.jsp">https://mn.gov/dhs/people-we-serve/children-and-families/health-care/health-care-programs/programs-and-services/medical-assistance.jsp</a> [Under ELIGIBILITY tab, see “what if I have other health insurance?”] Phone: 1-800-657-3739
<b>MISSOURI – Medicaid</b> Website: <a href="https://www.dss.mo.gov/mhd/participants/pages/hipp.htm">https://www.dss.mo.gov/mhd/participants/pages/hipp.htm</a> Phone: 1-573-751-2005	<b>MONTANA – Medicaid</b> Website: <a href="http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP">http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP</a> Phone: 1-800-694-3084	<b>NEBRASKA – Medicaid</b> Website: <a href="http://www.ACCESSNebraska.ne.gov">http://www.ACCESSNebraska.ne.gov</a> Phone: 1-855-632-7633 Lincoln: 1-402-473-7000 Omaha: 1-402-595-1178
<b>NEVADA – Medicaid</b> Medicaid Website: <a href="http://dhcfp.nv.gov">http://dhcfp.nv.gov</a> Medicaid Phone: 1-800-992-0900	<b>NEW HAMPSHIRE – Medicaid</b> Website: <a href="https://www.dhhs.nh.gov/oii/hipp.htm">https://www.dhhs.nh.gov/oii/hipp.htm</a> Phone: 1-603-271-5218 Toll-Free number for the HIPP program: 1-800-852-3345, ext. 5218	<b>NEW JERSEY – Medicaid and CHIP</b> Medicaid Website: <a href="http://www.state.nj.us/humanservices/dmahs/clients/medicaid/">http://www.state.nj.us/humanservices/dmahs/clients/medicaid/</a> Medicaid Phone: 1-609-631-2392 CHIP Website: <a href="http://www.njfamilycare.org/index.html">http://www.njfamilycare.org/index.html</a> CHIP Phone: 1-800-701-0710
<b>NEW YORK – Medicaid</b> Website: <a href="https://www.health.ny.gov/health_care/medicaid/">https://www.health.ny.gov/health_care/medicaid/</a> Phone: 1-800-541-2831	<b>NORTH CAROLINA – Medicaid</b> Website: <a href="https://medicaid.ncdhhs.gov/">https://medicaid.ncdhhs.gov/</a> Phone: 1-919-855-4100	<b>NORTH DAKOTA – Medicaid</b> Website: <a href="http://www.nd.gov/dhs/services/medicalserv/medical/">http://www.nd.gov/dhs/services/medicalserv/medical/</a> Phone: 1-844-854-4825

<b>OKLAHOMA – Medicaid and CHIP</b> Website: <a href="http://www.insureoklahoma.org">http://www.insureoklahoma.org</a> Phone: 1-888-365-3742	<b>OREGON – Medicaid</b> Website: <a href="http://healthcare.oregon.gov/Pages/index.aspx">http://healthcare.oregon.gov/Pages/index.aspx</a> <a href="http://www.oregonhealthcare.gov/index-es.html">http://www.oregonhealthcare.gov/index-es.html</a> Phone: 1-800-699-9075	<b>PENNSYLVANIA – Medicaid</b> Website: <a href="https://www.dhs.pa.gov/provider/Providers/Pages/Medical/HIPP-Program.aspx">https://www.dhs.pa.gov/provider/Providers/Pages/Medical/HIPP-Program.aspx</a> Phone: 1-800-692-7462
<b>RHODE ISLAND – Medicaid and CHIP</b> Website: <a href="http://www.eohhs.ri.gov/">http://www.eohhs.ri.gov/</a> Phone: 1-855-697-4347, or 1-401-462-0311 (Direct Rlte Share Line)	<b>SOUTH CAROLINA – Medicaid</b> Website: <a href="https://www.scdhhs.gov">https://www.scdhhs.gov</a> Phone: 1-888-549-0820	<b>SOUTH DAKOTA - Medicaid</b> Website: <a href="http://dss.sd.gov">http://dss.sd.gov</a> Phone: 1-888-828-0059
<b>TEXAS – Medicaid</b> Website: <a href="http://gethipptexas.com/">http://gethipptexas.com/</a> Phone: 1-800-440-0493	<b>UTAH – Medicaid and CHIP</b> Medicaid Website: <a href="https://medicaid.utah.gov/">https://medicaid.utah.gov/</a> CHIP Website: <a href="http://health.utah.gov/chip">http://health.utah.gov/chip</a> Phone: 1-877-543-7669	<b>VERMONT– Medicaid</b> Website: <a href="http://www.greenmountaincare.org/">http://www.greenmountaincare.org/</a> Phone: 1-800-250-8427
<b>VIRGINIA – Medicaid and CHIP</b> Website: <a href="https://www.coverva.org/hipp/">https://www.coverva.org/hipp/</a> Medicaid Phone: 1-800-432-5924 CHIP Phone: 1-855-242-8282	<b>WASHINGTON – Medicaid</b> Website: <a href="https://www.hca.wa.gov/">https://www.hca.wa.gov/</a> Phone: 1-800-562-3022	<b>WEST VIRGINIA – Medicaid</b> Website: <a href="http://mywvhipp.com/">http://mywvhipp.com/</a> Toll-free Phone: 1-855-MyWVHIPP (1-855-699-8447)
<b>WISCONSIN – Medicaid and CHIP</b> Website: <a href="https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf">https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf</a> Phone: 1-800-362-3002	<b>WYOMING – Medicaid</b> Website: <a href="https://wyequalitycare.acs-inc.com/">https://wyequalitycare.acs-inc.com/</a> Phone: 1-307-777-7531	

To see if any other States have added a premium assistance program since January 31, 2020, or for more information on special enrollment rights, contact either:

U.S. Department of Labor  
Employee Benefits Security Administration  
**[www.dol.gov/agencies/ebsa](http://www.dol.gov/agencies/ebsa)**  
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services  
Centers for Medicare & Medicaid Services  
**[www.cms.hhs.gov](http://www.cms.hhs.gov)**  
1-877-267-2323, Menu Option 4, Ext. 61565

**CARPENTER FUNDS ADMINISTRATIVE OFFICE OF NORTHERN CALIFORNIA, INC.**

265 Hegenberger Road, Suite 100, Oakland, California 94621  
(510) 633-0333 • (888) 547-2054 • fax (510) 633-0215 • [www.carpenterfunds.com](http://www.carpenterfunds.com)

## **Extension of Certain Timeframes for Employee Benefit Plans, Participants, and Beneficiaries Affected by the COVID–19 Outbreak**

In light of the ongoing COVID-19 national emergency, certain deadlines currently established by the Plans will be extended to help prevent participants and beneficiaries from losing rights and benefits under the Plans. These extended deadlines relate to HIPAA special enrollment, COBRA and the filing of claims and appeals. In calculating the new deadline, the Plans will disregard the time period between March 1, 2020 and 60 days after the end of the COVID-19 national emergency. This time period is called the Outbreak Period in the examples below.

- **HIPAA Special Enrollment.** Participants will get extra time to exercise their special enrollment rights (e.g., enroll a new dependent or a dependent who loses eligibility for other coverage. For example, if this special enrollment event happened on or after March 1, 2020, the new deadline would be 30 days after the end of the Outbreak Period. If the special enrollment event relates to loss of coverage under Medicaid or the Children's Health Insurance Program, the new deadline would be 60 days after the end of the Outbreak Period.
- **COBRA Continuation Coverage.** Participants will have additional time to notify the Plan of a qualifying event, submit a COBRA Election Form and make COBRA premium payments. For example, if the usual 60-day clock to submit the Election Form would start ticking on May 15, that clock would not start ticking until the end of the Outbreak Period. These deadline

extensions do not extend the maximum period of COBRA coverage.

If COBRA is elected and premiums are paid, claims for covered expenses will be paid retroactive to the first date of COBRA coverage, for every month for which premium are paid in full. The Plan will not pay any claims for medical expenses until COBRA is elected and COBRA premiums are paid in full.

- **Filing Benefits Claims & Appeals.** Participants will have additional time to file a claim for benefits, submit a request for an internal appeal and request an external appeal. In calculating the new deadlines, the Plans will disregard the days during the Outbreak Period.

If you have questions or would like more information about the dates that will apply to your rights under the Plans as they relate to special enrollment, COBRA or claims and appeals rights, please contact Benefit Services at the Fund Office at [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com), (510) 633-0333 or toll free at (888) 547-2054. Find forms and information on our website, [www.carpenterfunds.com](http://www.carpenterfunds.com).



## SUMMARY ANNUAL REPORT FOR CARPENTERS HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA

Plan Year – September 1, 2018 through August 31, 2019

This is a summary of the annual report for the Carpenters Health and Welfare Trust Fund for California, Employer Identification Number 94-1234856, a multiemployer health and welfare plan, for the period September 1, 2018 through August 31, 2019. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California has committed the Fund to pay certain Medical, Hospital, Dental, Orthodontia, Prescription Drug, Vision, Hearing Aid, Physical Examination, Weekly Disability, Mental Health and Substance Abuse claims under the terms of the Plan.

### Insurance Information:

The Plan has contracts with Kaiser Foundation Health Plan, Inc. to pay certain medical, hospital, mental health, substance abuse, and prescription drug claims, Voya Financial, Inc. to pay all accidental death, dismemberment, life insurance claims, and all stop loss claims incurred under the terms of the plan. The total premiums paid for all contracts for the Plan year ending August 31, 2019 were \$321,760,828.

### Basic Financial Statement:

The value of Plan assets, after subtracting liabilities of the Plan, was \$710,231,200 minus premiums and self-funded claims payable of \$103,879,608, minus claims incurred but not reported of \$19,273,000, minus bank of hours liability of \$190,361,000, equals \$396,717,592 as of August 31, 2018, compared to \$654,533,625 minus premiums and self-funded claims payable of \$91,518,919, minus claims incurred but not reported of \$13,040,000, minus bank of hours liability of \$177,600,000, equals \$372,374,706 as of September 1, 2018. During the Plan year, the Plan experienced an increase in its net assets of \$24,342,886. This increase included unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year, or the cost of assets acquired during the year.

During the plan year, the Plan had total income of \$547,035,425; including employer contributions of \$473,925,952, participant contributions of \$32,116,564, realized gains of \$4,128,350 from the sale of assets, earnings from investments of \$19,069,814, and other income of \$17,794,745.

Plan expenses were \$522,692,539. These expenses included \$13,207,477 in administrative expenses, \$1,547,997 in investment expenses, \$320,282,470 in premium costs, and \$187,654,595 in self-funded benefits paid directly to participants and beneficiaries or to service providers on their behalf.

<i>Condensed Financial Statement</i>		
<b>Beginning Balance Value of Net Plan Assets</b>	<b>As of 9/01/2017 \$321,282,962</b>	<b>As of 9/01/2018 \$372,374,706</b>
Employer Contributions	\$466,516,991	\$473,925,952
Participant Contributions	\$24,033,870	\$32,116,564
Investments - Earnings	\$23,180,990	\$19,069,814
Sale of Assets - Earnings/Losses	\$6,357,596	\$4,128,350
Other Income	\$11,949,681	\$17,794,745
<b>Plan Income</b>	<b>\$532,039,128</b>	<b>\$547,035,425</b>
Insurance Premiums	\$304,928,439	\$320,282,470
Self-Funded Benefits	\$161,178,558	\$187,654,595
Administrative Fees	\$13,322,205	\$13,207,477
Investment Expenses	\$1,518,182	\$1,547,997
<b>Total Expenses</b>	<b>\$480,947,384</b>	<b>\$522,692,539</b>
<b>Ending Balance Value of Net Plan Assets</b>	<b>As of 08/31/2018 \$372,374,706</b>	<b>As of 08/31/2019 \$396,717,592</b>

### **Your Rights to Additional Information:**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The following items are included in that report: 1. an accountant's report; 2. financial information and information on payments to service providers; 3. assets held for investment; 4. fiduciary information, including non-exempt transactions between the plan and parties-in-interest (that is, persons who have certain relationships with the plan); 5. transactions in excess of 5 percent of the plan assets; and 6. insurance information including sales commissions paid by insurance carriers.

### **Obtaining Copies of a Summary Annual Report:**

The report provided is a summary of the annual report filed for the Carpenters Health and Welfare Trust Fund for California. To obtain a copy of the full annual report or any part thereof, write or call the Carpenter Funds Administrative Office of Northern California, Inc., which is the Fund Manager appointed by the Plans' Administrator, at 265 Hegenberger Road, Suite 100, Oakland, California 94621; telephone (888) 547-2054. The charge to cover copying costs will be \$15.00 for the full annual report, or \$.25 per page for any part thereof.

You also have the right to receive from the Plan Administrator, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan Administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the Plan, 265 Hegenberger Road, Suite 100, Oakland, California 94621 and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

#### **AVISO**

Si usted tiene dificultad en entender alguna parte de este folleto, comuníquese con Carpenter Funds Administrative Office en 265 Hegenberger Road, Suite 100, Oakland, CA 94621. Las horas de oficina son de 8:00 a.m. a 5:00 p.m., lunes a viernes. Usted también puede llamar a la oficina del Plan, teléfono 888-547-2054, para ayuda.

**CARPENTER FUNDS ADMINISTRATIVE OFFICE  
OF NORTHERN CALIFORNIA, INC.**  
265 Hegenberger Road, Suite 100  
Oakland, California 94621-0180  
Tel. (510) 633-0333 ♦ (888) 547-2054 ♦ Fax (510) 633-0215



October 3, 2020

**TO: All Active and non-Medicare Eligible Retired Plan Participants and their Dependents, including COBRA Beneficiaries**

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

**RE: Changes to Outpatient Hospital Indemnity Plan Benefits**  
▪ Hip Replacement Surgery  
▪ Knee Replacement Surgery

This Participant Notice will advise you of a material modification that has been made to your medical benefits for hospital benefits payable for services in connection with a hip or knee replacement surgery. This information is important to you and your Dependents. Please take the time to read it carefully.

Effective October 1, 2020, in order to manage the cost variance for hip and knee replacement surgeries, payment will be limited to a \$30,000 maximum for single hip joint replacement or single knee joint replacement surgery for both inpatient and outpatient facility costs. The maximum does not include professional fees such as anesthesia or surgeon fees, which will be paid pursuant to the applicable Plan's Rules and Regulations.

The Board of Trustees and Anthem Blue Cross have identified 50 facilities throughout California where these surgeries can be performed with little to no out-of-pocket costs beyond the Plan's deductible and coinsurance. See the attached list of approved Value Based facilities. You still have the same access to providers but will save money when you use a recommended facility.

\* \* \* \* \*

Because this Plan is a "grandfathered health plan," we are required by law to provide this notice to you:

**Grandfathered Health Plan:** The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Indemnity 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](http://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 email

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.*

# Value-based purchasing

## Hip and knee joint replacement

### Value-based purchasing design (VBPD)

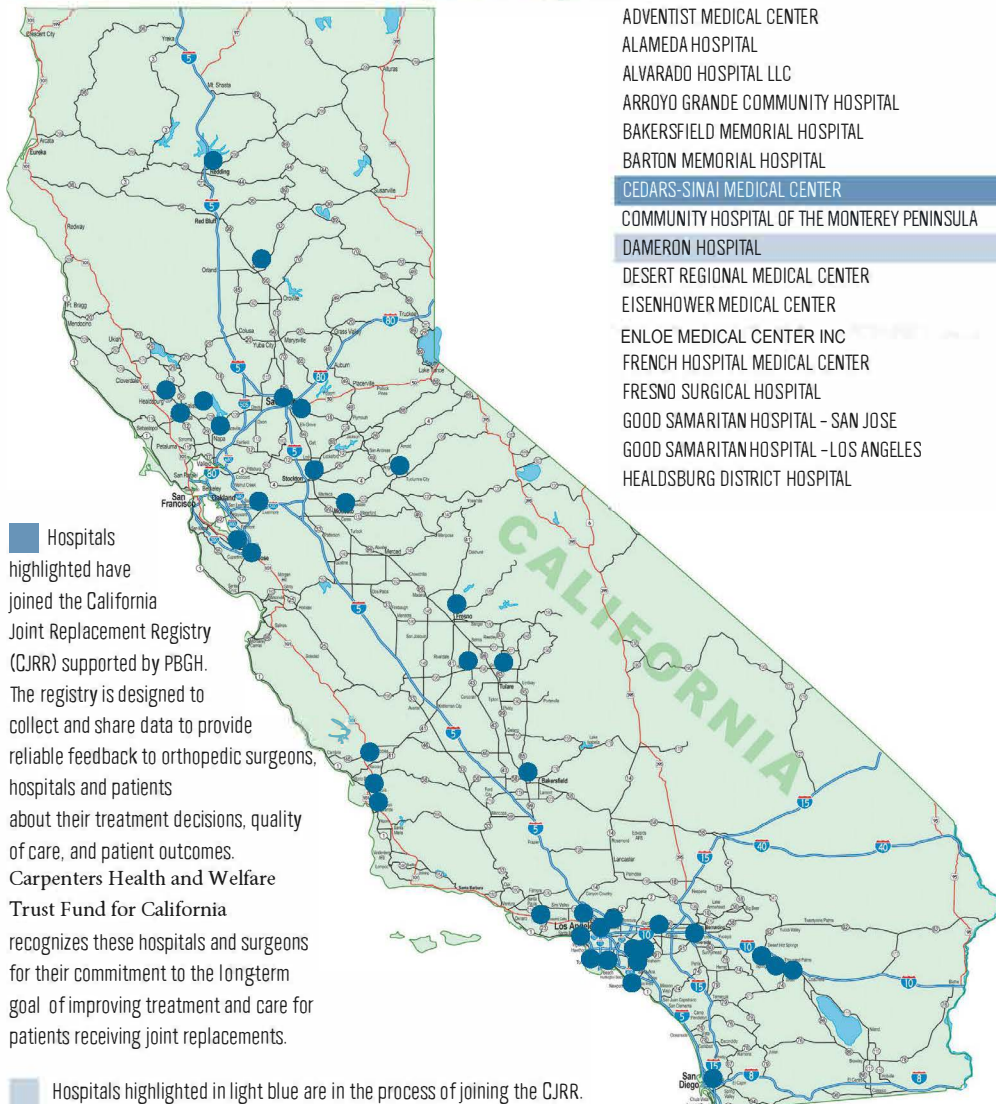
Carpenters Health and Welfare Trust Fund for California and Anthem Blue Cross (Anthem) are working together to design a hip and knee joint replacement program. If you will be scheduling a hip or knee joint replacement, this program is for you. It has been designed to keep your overall out-of-pocket costs down, while limiting the overall increase in medical costs.

This program limits payment to \$30,000 maximum for single hip joint replacement or single knee joint replacement surgeries. Carpenters Health and Welfare Trust Fund for California and Anthem have identified 50 facilities throughout California where you can have these surgeries done with little to no out-of-pocket costs beyond the plan's deductible and coinsurance.

If you have a single hip or single knee joint replacement at a facility that isn't on the list below, you'll be responsible for any charges above \$30,000. You'll also be responsible for any deductible and coinsurance.

As a Participating Provider Organization plan member, you have the option to choose any facility, but if you get care from one of the 50 facilities listed below, you can lower your out-of-pocket costs.

### Value Based Sites of Care for designated Hospitals



ADVENTIST MEDICAL CENTER  
ALAMEDA HOSPITAL  
ALVARADO HOSPITAL LLC  
ARROYO GRANDE COMMUNITY HOSPITAL  
BAKERSFIELD MEMORIAL HOSPITAL  
BARTON MEMORIAL HOSPITAL  
CEDARS-SINAI MEDICAL CENTER  
COMMUNITY HOSPITAL OF THE MONTEREY PENINSULA  
DAMERON HOSPITAL  
DESERT REGIONAL MEDICAL CENTER  
EISENHOWER MEDICAL CENTER  
ENLOE MEDICAL CENTER INC  
FRENCH HOSPITAL MEDICAL CENTER  
FRESNO SURGICAL HOSPITAL  
GOOD SAMARITAN HOSPITAL - SAN JOSE  
GOOD SAMARITAN HOSPITAL - LOS ANGELES  
HEALDSBURG DISTRICT HOSPITAL

HOAG ORTHOPEDIC INSTITUTE  
HUNTINGTON MEMORIAL HOSPITAL  
JOHN F KENNEDY MEMORIAL HOSPITAL  
JOHN MUIR MEDICAL CENTER - CONCORD CAMPUS  
JOHN MUIR MEDICAL CENTER - WALNUT CREEK CAMPUS  
KAWEAH DELTA MEDICAL CENTER  
LOMA LINDA UNIVERSITY MEDICAL CENTER  
LONG BEACH MEMORIAL MEDICAL CENTER  
MERCY MEDICAL CENTER - REDDING  
METHODIST HOSPITAL OF SACRAMENTO  
NATIVIDAD MEDICAL CENTER  
O'CONNOR HOSPITAL  
PLACENTIA LINDA HOSPITAL  
QUEEN OF THE VALLEY MEDICAL CENTER  
SAN ANTONIO COMMUNITY HOSPITAL  
SAN JOAQUIN COMMUNITY HOSPITAL  
SANTA MONICA UCLA MEDICAL CENTER  
SANTA ROSA MEMORIAL HOSPITAL  
SIERRA VISTA REGIONAL MEDICAL CENTER  
SONORA REGIONAL MEDICAL CENTER  
ST AGNES MEDICAL CENTER  
ST HELENA HOSPITAL  
ST JOHN'S HOSPITAL AND HEALTH CENTER  
ST JOSEPH HOSPITAL - ORANGE  
ST JUDE MEDICAL CENTER  
ST MARYS MEDICAL CENTER  
ST VINCENT MEDICAL CENTER  
STANISLAUS SURGICAL HOSPITAL  
THOUSAND OAKS SURGICAL HOSPITAL  
TORRANCE MEMORIAL MEDICAL CENTER  
TWIN CITIES COMMUNITY HOSPITAL INC  
UCSD MEDICAL CENTER  
VALLEY PRESBYTERIAN HOSPITAL

To learn more, please visit [anthem.com/ca](http://anthem.com/ca).

**CARPENTER FUNDS ADMINISTRATIVE OFFICE  
OF NORTHERN CALIFORNIA, INC.**

265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Tel. (510) 633-0333 ✧ (888) 547-2054 ✧ Fax (510) 633-0215



November 30, 2020

**TO: All Active and Non-Medicare Eligible Retired Plan Participants and their Dependents, including COBRA Beneficiaries**

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

**RE: Indemnity Plan Benefit Change for Flu Vaccines**

This Participant Notice will advise you of a material modification that has been made to your medical benefits for services in connection with flu vaccines. This information is important to you and your Dependents. Please take the time to read it carefully.

**Flu Vaccines**

Effective September 1, 2020, the Plan will provide 100% coverage of the PPO Allowed Amount for flu vaccinations, up to a maximum payment of \$30 per vaccine. Should you receive a flu vaccination by a Non-Contract Provider, the Plan will provide 100% coverage of the charged amount, up to a maximum payment of \$30. Additionally, the flu vaccines are not subject to the calendar year deductible.

The Trustees designed this Indemnity benefit so that you have broader access to flu vaccines, for example, you can get your vaccine through your local pharmacy. Should you choose to receive a flu vaccine at your pharmacy, you may submit your claim for reimbursement to the Fund Office by providing the following information: 1) A copy of your receipt that includes the name of the person receiving the vaccine, 2) The date the vaccine was administered and 3) The amount paid. Also, please include a copy of your medical card.

Send Claims to:  
Carpenter Funds Administrative Office  
Attention: Claims Department  
265 Hegenberger Rd., Suite 100  
Oakland, CA 94621

\* \* \* \* \*

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**Grandfathered Health Plan:** The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Indemnity 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](http://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 email 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 HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA

carpenterfunds.com

265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Toll-Free: 1 (888) 547-2054  
Phone: (510) 633-0333

April 9, 2021

**TO: All Plan Participants and their Dependents, including COBRA Beneficiaries**

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

**RE: Kaiser and Indemnity Plan Benefit Changes**

- **Deadline Extensions**
- ***headversity***
- **COBRA Subsidy**

**Indemnity Plan Benefit Changes**

- **Vaccines**
- **COVID-19 Testing**
- **Telehealth**

This Participant Notice will advise you of material modifications that have been made to your Health and Welfare Plan benefits. This information is important to you and your Dependents. Please take the time to read it carefully.

As of the date of this notice the COVID-19 Public Health Emergency is effective until April 21, 2021, however that date is expected to be extended. **Once the Public Health Emergency is lifted, some of the Plan's limitations for using Non-Covered Providers will be reinstated as outlined in this notice. It's important to note that the National Emergency declared by the U.S. President is different than the Public Health Emergency.**

### KAISER AND INDEMNITY PLAN BENEFIT CHANGES

#### **Duration of Extensions for Certain Special Enrollment, COBRA and Claims and Appeals Deadlines**

In 2020, we informed you that the Plan would disregard the filing limit periods from March 1, 2020, through the end of the National Emergency plus 60 days. The National Emergency effects issues concerning COBRA, special enrollment, claims and appeals deadlines:

- The period to request special enrollment,
- The 60-day election period for COBRA Continuation Coverage,
- The date for making COBRA Continuation Coverage premium payments,
- The date for individuals to notify the Plan of a qualifying event or the determination of disability,
- The date within which individuals may file a benefit claim under the Plan's claims procedures, and
- The date within which claimants may file an appeal of an adverse benefit determination under the Plan's claims procedures.

Recent guidance from the Department of Labor clarified the duration of these deadline extensions, which applies on a case-by-case basis. Specifically, your deadline is **the earlier of:**

- One year from the date you were first eligible for relief (i.e., one year from your original deadline); or
- 60 days after the announced end of the National Emergency Concerning COVID-19.



**PLEASE NOTE: Under no circumstances will a deadline extension last longer than one year.** To ensure you receive the benefits you are entitled to, we encourage you to provide your election notice or payment by the original deadline. See examples on the following page.

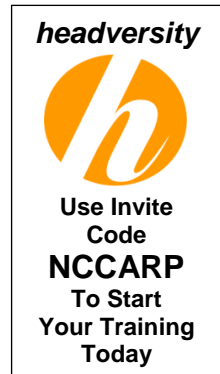
For example, if your original deadline for electing COBRA Continuation Coverage was April 1, 2020, you will have until April 1, 2021, to make that election. If your original deadline for electing COBRA Continuation Coverage was September 1, 2020, you will have until September 1, 2021, to make that election or 60 days after the National Emergency concerning COVID-19 ends, if that date occurs before September 1, 2021.

Please contact the Fund Office if you have questions about how the deadline extensions apply to your individual circumstances.

### **headversity – New Benefit**

The Board of Trustees has also implemented a new resource available to Participants and their Dependents beginning February 1, 2021. The *headversity* program trains and prepares individuals to better manage mental health and mental performance challenges, thereby helping them get ahead of possible adversity in the future. The program focuses on six resilience skills: self-expertise, mindfulness, mental fitness, mental health, hardiness, and energy management.

*headversity* is an App that Participants and Dependents can use to access resources and training on building resilience. The *headversity* App can be accessed through your smartphone's App store.



### **ARPA COBRA Subsidy**

Congress passed the American Rescue Plan Act (ARPA) on March 17, 2021. ARPA includes many COVID-19 related relief measures including a subsidy for Health and Welfare coverage under COBRA which grants \$0 cost Plan coverage to Participants and Dependents who have lost coverage because of an involuntary reduction of work hours between September, 2019 and July, 2021.

If you had, or later have, an involuntarily loss of work in Covered employment and you have no other employer sponsored health coverage or Medicare, ARPA will pay 100% of the cost of COBRA coverage beginning April 1, 2021 through September 30, 2021. The subsidy pays medical, dental, vision and prescription coverage for most qualified recipients. Furthermore, your coverage does not have to be continuous. For example, you may enroll in the COBRA ARPA subsidy effective April 1, 2021 even though your 18-month COBRA option started many months earlier and you did not elect COBRA coverage for the months prior to April 1, 2021.

## **INDEMNITY PLAN BENEFIT CHANGES**

### **Changes to Vaccine Coverage, Including Coverage COVID-19 Vaccines**

Effective January 1, 2021, The Board of Trustees implemented a comprehensive vaccine coverage program. Immunizations, including the COVID-19 and flu vaccines, are covered under both the Plan's medical and pharmacy benefits with a \$0 copayment and no deductible when received from a PPO Contract Medical Provider or Contract Pharmacy. The Board of Trustees rescinded the flu vaccine Plan maximum payment of \$30 under the medical benefit.

After the Public Health Emergency ends, the Plan will continue to cover COVID-19 vaccines at 100% with no deductible when received from a Contract Provider, however; COVID-19 vaccines will no longer be covered in full when received from Non-Contract Providers. A list of immunizations covered under the pharmacy program, which includes most preventive vaccinations, is available from Express Scripts.

### **Clarification of COVID-19 Testing Benefits**

Last April, we informed you that the Plan would cover COVID-19 laboratory tests at 100% when received from either Contract Providers or Non-Contract Providers. To clarify, the 100% coverage benefit includes: test administration, items and services given during office visit, urgent care, telehealth and emergency room visits, to the extent they relate to the evaluation or furnishing of the test.

During the Public Health Emergency, Non-Contract Providers will be paid the cash price listed on their public website or, if lower, the negotiated price.

**See the Table on page 2 (Benefit Snapshot)** for a comparison of Immunization and COVID-19 testing benefit limits for “During the Public Health Emergency” vs. “After the Public Health Emergency”.

<b>Benefit Snapshot</b>		
<b>Service</b>	<b>During Public Health Emergency</b>	<b>After Public Health Emergency (Restrictions Lifted)</b>
<b>COVID-19 Vaccines</b>	Effective 1/1/2021: Participant Cost: \$0  <i>Receive immunizations from any Medical Provider or Contract Pharmacy</i>	Participant Cost: \$0  <i>Must use a PPO Contract Provider or Express Scripts Contract Pharmacy</i>
<b>Flu Vaccines</b>		
<b>Other Immunizations</b>		
<b>COVID-19 Laboratory Tests</b>	Effective 3/1/2020: Participant Cost: \$0  <i>Tests administered by any Medical Provider, plus items and services given during office, urgent care, telehealth and emergency room visits in relation to evaluation or furnishing of the test.</i>	Participant Cost: Based on the existing Plan Limitations.  <i>Depending on the location of where the test is administered and all existing Plan limitations regarding payment to Non-Contract Providers will be applied.</i>
<b>Finding a Contract Provider</b>	<p style="text-align: center;"><b>Medical Providers</b> Anthem (800) 810-2583 or <a href="http://www.anthem.com">www.anthem.com</a></p> <p style="text-align: center;"><b>Contract Pharmacy for Immunizations</b> Express Scripts (800) 939-7093 or <a href="http://www.express-scripts.com">www.express-scripts.com</a></p>	

### **Clarification of Online Telehealth Visit Benefit**

Last April, we informed you that the Plan will cover LiveHealth Online visits at 100% up to a maximum payment of \$59. To clarify, online telehealth visits with PPO providers are also covered by the Plan, subject to the Plan’s deductible and coinsurance for the duration of the Public Health Emergency, which is currently through April 21, 2021, unless extended. At the conclusion of the Public Health Emergency, the issue of online telehealth visits will be revisited by the Board of Trustees.

Because this Plan is a “grandfathered health plan,” we are required by law to provide this notice to you:

**Grandfathered Health Plan:** The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Indemnity 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](http://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 email 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.*



## Summary of the COBRA Premium Assistance Provisions under the American Rescue Plan Act of 2021

President Biden signed H.R. 1319, the American Rescue Plan Act of 2021 (ARPA), on March 11, 2021. This law subsidizes the full COBRA premium for “Assistance Eligible Individuals” for periods of coverage from April 1, 2021 through September 30, 2021.

To be eligible for the premium assistance, you:

- **MUST** have a COBRA qualifying event that is a reduction in hours or an involuntary termination of a covered employee’s employment;
- **MUST** elect COBRA continuation coverage;
- **MUST NOT** be eligible for Medicare; AND
- **MUST NOT** be eligible for coverage under any other group health plan, such as a plan sponsored by a new employer or a spouse’s employer. \*

### ◆ IMPORTANT ◆

- ◇ If you do not elect to receive the premium assistance within 60 days of receipt of this form, you may be ineligible for the premium assistance.
- ◇ If you elect COBRA continuation coverage with premium assistance, and then become eligible for other group health plan coverage (not including coverage that is only excepted benefits (such as dental or vision coverage), a Qualified Small Employer Health Reimbursement Arrangement, or a health flexible spending arrangement), or if you become eligible for Medicare, you **MUST** notify the plan in writing. If you fail to provide this notice, you may be subject to a penalty of \$250 (or if the failure is fraudulent, the greater of \$250 or 110% of the premium assistance provided after termination of eligibility). You won’t be subject to the penalty if your failure to notify the plan is due to reasonable cause and not due to willful neglect.
- ◇ Employers that don’t satisfy COBRA continuation coverage requirements may be investigated by the Department of Labor and may be subject to an excise tax under the Internal Revenue Code.
- ◇ If you elect COBRA continuation coverage and are eligible for the premium assistance, you cannot claim the Health Coverage Tax Credit. You also cannot qualify for a premium tax credit to help pay for coverage through a Health Insurance Marketplace<sup>®1</sup>, such as on HealthCare.gov, for any months that you are enrolled in COBRA continuation coverage with or without the premium assistance.

For general information on your plan’s COBRA continuation coverage, contact the Benefits Department at the Carpenters Administrative Trust Fund, 265 Hegenberger Rd., Suite 100, Oakland, CA 94621; phone number 1-888-547-2054.

For specific information on your plan’s administration of the ARPA premium assistance or to notify the plan of your ineligibility to receive premium assistance, contact the Benefits Department at the Carpenters Administrative Trust Fund, 265 Hegenberger Rd., Suite 100, Oakland, CA 94621; phone number 1-888-547-2054.

For more information regarding ARPA premium assistance and eligibility questions, visit:

<https://www.dol.gov/cobra-subsidy> or contact the Department of Labor at [askebsa.dol.gov](mailto:askebsa.dol.gov) or 1-866-444-EBSA (3272)

\* This restriction does not include coverage under a plan that provides only excepted benefits, a qualified small employer health reimbursement arrangement, or coverage under a health flexible spending arrangement.

<sup>1</sup> Health Insurance Marketplace<sup>®</sup> is a registered service mark of the U.S. Department of Health & Human Services.

**You may also want to read the important information about the rules for premium assistance included in the “Summary of the COBRA Premium Assistance Provisions Under the American Rescue Plan Act of 2021.”**

265 Hegenberger Rd.,  
Suite 100  
Oakland, CA 94621

E-mail Address for the Receipt of Mandatory Disclosures (Voluntary)\*:

1. The qualifying event was a loss of employment that was involuntary or a reduction in hours.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. I elected (or am electing) COBRA continuation coverage.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. I am NOT eligible for other group health plan coverage (or I was not eligible for other group health plan coverage during the period for which I am claiming premium assistance).	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. I am NOT eligible for Medicare (or I was not eligible for Medicare during the period for which I am claiming premium assistance).	<input type="checkbox"/> Yes <input type="checkbox"/> No

Type or print name  Relationship to employee 

1. Loss of employment was voluntary.	<input type="checkbox"/>
2. Individual did not experience a reduction in hours.	<input type="checkbox"/>
3. Individual did not elect COBRA coverage.	<input type="checkbox"/>
4. Other (please explain)	<input type="checkbox"/>

Telephone number → E-mail address →

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2

**For Further Assistance, you may contact the Department of Labor's Employee Benefits Administration at 1-866-444-3272, or online at <https://www.askebsa.dol.gov/WebIntake>.**

**DEPENDENT INFORMATION** (Parent or guardian should sign for minor children.)

Name                      Date of Birth                      Relationship to Employee                      SSN (or other identifier)

a. \_\_\_\_\_

1. I elected (or am electing) COBRA continuation coverage.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. I am NOT eligible for other group health plan coverage.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. I am NOT eligible for Medicare.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. The qualifying event was an involuntary termination or a reduction in hours.	<input type="checkbox"/> Yes <input type="checkbox"/> No

I make an election to exercise my right to ARPA premium assistance. To the best of my knowledge and belief all of the answers I have provided on this form are true and correct.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Type or print name \_\_\_\_\_ Relationship to employee \_\_\_\_\_

Name                      Date of Birth                      Relationship to Employee                      SSN (or other identifier)

b. \_\_\_\_\_

1. I elected (or am electing) COBRA continuation coverage.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. I am NOT eligible for other group health plan coverage.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. I am NOT eligible for Medicare.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. The qualifying event was an involuntary termination or a reduction in hours.	<input type="checkbox"/> Yes <input type="checkbox"/> No

I make an election to exercise my right to ARPA premium assistance. To the best of my knowledge and belief all of the answers I have provided on this form are true and correct.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Type or print name \_\_\_\_\_ Relationship to employee \_\_\_\_\_

Name                      Date of Birth                      Relationship to Employee                      SSN (or other identifier)

c. \_\_\_\_\_

1. I elected (or am electing) COBRA continuation coverage.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. I am NOT eligible for other group health plan coverage.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. I am NOT eligible for Medicare.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. The qualifying event was an involuntary termination or a reduction in hours.	<input type="checkbox"/> Yes <input type="checkbox"/> No

I make an election to exercise my right to the ARPA premium assistance. To the best of my knowledge and belief all of the answers I have provided on this form are true and correct.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Type or print name \_\_\_\_\_ Relationship to employee \_\_\_\_\_

This form is designed for plans to distribute to COBRA qualified beneficiaries who are not paying premiums pursuant to ARPA so they can notify the plan if they become eligible for other group health plan coverage, or Medicare.

**Use this form to notify your plan that you are eligible for other group health plan coverage or Medicare and therefore not eligible for premium assistance under the ARPA.**

Carpenters Health and Welfare  
Trust Fund for California

### Participant Notification

265 Hegenberger Rd.,  
Suite 100  
Oakland, CA 94621

#### PERSONAL INFORMATION

Name and mailing address

UBC ID number or Social Security Number:

E-mail Address for the Receipt of Mandatory  
Disclosures (Voluntary)\*:

#### PREMIUM ASSISTANCE INELIGIBILITY INFORMATION – Check one

I am eligible for coverage under another group health plan.  
If any dependents are also eligible, include their names below.

Insert date you became eligible\_\_\_\_\_

☐

I am eligible for Medicare.

Insert date you became eligible\_\_\_\_\_

☐

#### IMPORTANT

If you fail to notify your plan when you become eligible for other group health plan coverage or Medicare AND continue to receive COBRA premium assistance you may be subject to a penalty of \$250 dollars (or if the failure is fraudulent, the greater of \$250 or 110% of the amount of the premium assistance provided after termination of eligibility). You won't be subject to the penalty if your failure to notify the plan is due to reasonable cause and not due to willful neglect.

**Eligibility for other coverage is determined regardless of whether you take or decline the other coverage.**

**However, eligibility for coverage does not include any time spent in a waiting period.**

To the best of my knowledge and belief all of the answers I have provided on this Form are true and correct.

Signature → \_\_\_\_\_ Date → \_\_\_\_\_

Type or print name → \_\_\_\_\_

If you are eligible for coverage under another group health plan and that plan covers dependents you must also list their names here: \_\_\_\_\_

\*Providing your email address for the receipt of mandatory disclosures is voluntary. If you provide your email address, mandatory disclosures will be sent via email. See "Electronic Delivery of Plan Correspondence" on page 5 for more information about your rights.

Electronic Delivery of Plan Correspondence: Electronic materials are emailed, typically in Portable Document Format (PDF), and are identical to the paper versions you've been receiving. There is no charge for accepting materials online. You will need an internet connection and a computer with an operating system capable of receiving, accessing and displaying and either printing or storing the electronic documents received.

You should have Adobe Reader to access PDF files. Learn more and download Adobe Reader directly from Adobe's website, [www.adobe.com](http://www.adobe.com). Change your email address at any time by contacting the Fund Office at [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com), (510) 633-0333, or Toll-Free (888) 547-2054. The change must be in writing, with your signature.

Some example documents that may be sent electronically include: Summary Plan Descriptions, Notice of Plan changes, Explanation of Benefits, Benefit and Claim Department letters, Prohibited Employment Committee letters, and Fund Trustee memos.

Your consent to electronic delivery of Plan documents is valid unless and until you withdraw your consent. You can withdraw your consent and reset your preference to mail at any time by contacting the Fund Office at [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com), (510) 633-0333, or Toll-Free (888) 547-2054. The change must be in writing, with your signature. While e-delivery may significantly reduce the amount of mail we send you, certain documents and service-related correspondence will continue to be sent via U.S. Mail. Additionally, you may request a paper copy of any documents received electronically. Unless otherwise instructed, your email address will be shared with the Carpenters Union, Apprenticeship Training Committee and the Carpenters Trust Funds.