

# IBEW LOCAL NO. 9

## FRINGE BENEFIT FUNDS

IBEW Local No. 9 and Line Clearance Contractors Health & Welfare Fund  
IBEW Local No. 9 and Line Clearance Contractors 401(k) Retirement Fund

Managed for the Trustees by:  
TIC INTERNATIONAL CORPORATION

October 2016

### IMPORTANT INFORMATION ABOUT YOUR BENEFITS

TO: All Participants in the IBEW Local No. 9 and Line Clearance Contractors Health & Welfare Fund

RE: SUMMARY OF MATERIAL MODIFICATIONS

Dear Participant:

The Welfare Fund provides comprehensive benefits to help you and your family meet your health and welfare needs while still being affordable for you, our contractors and the Fund. In order to continue meeting our objective, we have elected to make some benefit changes. Please review this Summary of Material Modifications (SMM) carefully and share it with your family. You should keep it with your Summary Plan Description (“SPD”) and other SMMs.

#### **New Prescription Drug Program: Prior Authorization for Specialty Medications**

Effective January 1, 2017, the Fund will be implementing a prior authorization requirement for specialty medications. This program will help ensure that you are taking the correct and most cost-effective medications. Under this new requirement, which will be administered by Prime Therapeutics (the Fund’s prescription drug benefit administrator), prescriptions for specialty medications will require a clinical review prior to being filled. Prime Therapeutics will provide a clinical review to assess the appropriateness of the medication selection, dosage, cost effectiveness and compliance.

#### **What is a Specialty Medication?**

When you have a chronic or difficult health condition, like multiple sclerosis or rheumatoid arthritis, you may need specialty medications. Specialty medications are high-cost prescription medications that often require special handling (like refrigeration during shipping) administration (such as injection or infusion) or monitoring. The new cholesterol-lowering PCSK9 inhibitors (Praluent® and Repatha™, for example) are considered specialty medications.

#### **A Final Note**

If you have any questions about the information in this notice or about your benefits generally, please contact the Fund Office at (877) 423-9155.

Sincerely,

IBEW Local Union No. 9 and Line Clearance Contractors Health & Welfare Fund  
Board of Trustees

**Notice of Grandfathered Health Plan Status.** The IBEW Local No. 9 and Line Clearance Contractors Health & Welfare Fund believes its entire plan of benefits, including the retiree option provided therein, 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 the 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, once those consumer protections become effective for the plan. 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 at (877) 423-9155. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (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.

*This announcement, which serves as a Summary of Material Modification, contains highlights of certain features of the IBEW Local No 9 and Line Clearance Contractors Health & Welfare Fund. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. The Trustees reserve the right to amend, modify, or terminate the Plan at any time.*