

# IMPORTANT NOTICE – PLEASE READ CAREFULLY!

## SUMMARY OF MATERIAL MODIFICATIONS

To All Participants of the

ITPEU HEALTH & WELFARE PLAN

### NOTICE OF CHANGE IN BENEFITS

This notice, called a “summary of material modifications,” advises you of changes in the information presented in your summary plan description (sometimes called an “SPD” or “descriptive booklet”) with respect to the ITPEU Health and Welfare Plan (the “Plan”). Please do two things with this notice: (1) Read it and, if you have any questions, contact the Plan Administrator and (2) keep this notice with your SPD.

This Notice is a summary of important changes to the Plan that will be effective July 1, 2017.

#### Modifications of Medical Benefits Effective July 1, 2017

All co-pays have been eliminated effective July 1, 2017. The Hours Per Week for each Class has changed for the Medical Benefits, Prescription Drug Benefits, Dental Benefits, Vision Plan, Disability Benefits, Survivor Benefit, Death Benefit and AD&D Benefit follows:

	<u>Hours Per Week</u>
<u>Class IV</u>	35+
<u>Class III</u>	29-34
<u>Class II</u>	15-24
<u>Class I</u>	0-14

#### Modifications of Prescription Drug Plan Effective July 1, 2017

**Prescription Drugs (RX): Effective July 1, 2017**, reimbursement will be 70% of cost using the Caremark/CVS discount card. The Participant will pay 30%, and the Maximum Out of Pocket is \$2,550.00 for Individual coverage and \$5,100.00 for Family coverage as reflected in the chart below.

The following are changes to the Hours Per Week for each Class, Deductible, Coinsurance and Out of Pocket Maximum for Participants with Contribution Rates of \$4.40/hour or higher shall be as follows:

	<u>Hours Per Week</u>	<u>Deductible</u>	<u>Coinsurance</u>	<u>Out of Pocket Maximum</u>	
				Individual	Family
<u>Class IV</u>	35+	\$150.00	70/30%	\$2,550	\$5,100
<u>Class III</u>	29-34	\$175.00	70/30%	\$2,550	\$5,100
<u>Class II</u>	15-24	\$200.00	70/30%	\$2,550	\$5,100
<u>Class I</u>	0-14	\$250.00	70/30%	\$2,550	\$5,100

The following are changes to the Hours Per Week for each Class, Deductible, Coinsurance and Out of Pocket Maximum Participants with Contribution Rates between \$4.15/hour and \$4.39/hour shall be as follows:

	<u>Hours Per Week</u>	<u>Deductible</u>	<u>Coinsurance</u>	<u>Out of Pocket Maximum</u>	
				Individual	Family
<u>Class IV</u>	35+	\$175.00	70/30%	\$2,550	\$5,100
<u>Class III</u>	29-34	\$200.00	70/30%	\$2,550	\$5,100
<u>Class II</u>	15-24	\$225.00	70/30%	\$2,550	\$5,100
<u>Class I</u>	0-14	\$275.00	70/30%	\$2,550	\$5,100

The following are changes to the Hours Per Week for each Class, Deductible, Coinsurance and Out of Pocket Maximum Participants with Contribution Rates between \$3.90/hour and \$4.14/hour shall be as follows:

	<u>Hours Per Week</u>	<u>Deductible</u>	<u>Coinsurance</u>	<u>Out of Pocket Maximum</u>	
				Individual	Family
<u>Class IV</u>	35+	\$200	70/30%	\$2,550	\$5,100
<u>Class III</u>	29-34	\$225	70/30%	\$2,550	\$5,100
<u>Class II</u>	15-24	\$250	70/30%	\$2,550	\$5,100
<u>Class I</u>	0-14	\$300	70/30%	\$2,550	\$5,100

## **Modifications of Dental Benefits Effective July 1, 2017**

### **Dental Benefits Plan:**

The following are changes to the Hours Per Week for each Class, Deductible, Coinsurance and Annual Maximum for Participants with Contribution Rates of \$4.40/hour or higher shall be as follows:

	<u>Hours Per Week</u>	<u>Deductible</u>	<u>Coinsurance*</u>	<u>Annual Maximum</u>	
				Individual	Dependent
<u>Class IV</u>	35+	\$100	70/30%	\$1,000	\$ 500
<u>Class III</u>	29-34	\$125	70/30%	\$ 800	\$ 400
<u>Class II</u>	15-24	\$150	70/30%	\$ 600	\$ 300
<u>Class I</u>	0 -14	\$200	70/30%	\$ 400	\$ 200

The following are changes to the Hours Per Week for each Class, Deductible, Coinsurance and Annual Maximum for Participants with Contribution Rates between \$4.15/hour and \$4.39/hour shall be as follows:

	<u>Hours Per Week</u>	<u>Deductible</u>	<u>Coinsurance*</u>	<u>Annual Maximum</u>	
				Individual	Dependent
<u>Class IV</u>	35+	\$125	70/30%	\$ 850	\$ 425
<u>Class III</u>	29-34	\$150	70/30%	\$ 650	\$ 325
<u>Class II</u>	15-24	\$175	70/30%	\$ 450	\$ 225
<u>Class I</u>	0-14	\$225	70/30%	\$ 350	\$ 175

The following are changes to the Hours Per Week for each Class, Deductible, Coinsurance and Annual Maximum for Participants with Contribution Rates between \$3.90/hour and \$4.14/hour shall be as follows:

	<u>Hours Per Week</u>	<u>Deductible</u>	<u>Coinsurance*</u>	<u>Annual Maximum</u>	
				Individual	Dependent
<u>Class IV</u>	35+	\$150.00	70/30%	\$ 700	\$ 350
<u>Class III</u>	25-34	\$175.00	70/30%	\$ 500	\$ 250
<u>Class II</u>	5-24	\$200.00	70/30%	\$ 300	\$ 150
<u>Class I</u>	0-14	\$250.00	70/30%	\$ 250	\$ 125

\*Prosthodontics are 45%

### **Modifications of Vision Plan Effective July 1, 2017**

1. Effective July 1, 2017, the Vision Plan will only cover the Individual (Employee). It will no longer provide coverage for Family Members (Dependents).

2. The Vision Plan shall not pay more than the maximum benefit amount for any Employee in any twenty-four (24) month period. Previously the maximum benefit amount covered a 12 month period. There is also a change in Hours Per Week of each Class as set forth in the charts below.

#### 3. Maximum Benefit Amount

The Maximum Vision Plan Benefit Amount, with Contribution Rates of \$4.40/hour or higher shall be decreased as follows:

	<u>Hours Per Week</u>	<u>Individual</u>
<u>Class IV</u>	35+	\$300
<u>Class III</u>	25-34	\$250
<u>Class II</u>	15-24	\$200
<u>Class I</u>	0-14	\$150

The Maximum Vision Plan Benefit Amount, with Contribution Rates between \$4.15/hour and \$4.39/hour shall be decreased as follows:

	<u>Hours Per Week</u>	<u>Individual</u>
<u>Class IV</u>	30+	\$250
<u>Class III</u>	20-29	\$200
<u>Class II</u>	12-19	\$150
<u>Class I</u>	0-11	\$100

The Maximum Vision Plan Benefit Amount, with Contribution Rates between \$3.90/hour and \$4.14/hour shall be decreased as follows:

	<u>Hours Per Week</u>	<u>Individual</u>
<u>Class IV</u>	35+	\$200
<u>Class III</u>	25-34	\$150

<u>Class II</u>	15-24	\$100
<u>Class I</u>	0-14	\$ 50

### **Modifications of Disability (Accident & Sickness) Benefit Effective July 1, 2017**

Effective July 1, 2017, the weekly accident and sickness benefit will be reduced to coverage of a maximum of six (6) weeks for any one disability. Participants who were receiving weekly benefits prior to July 1, 2017, will only be eligible to receive up to an additional six (6) weeks beginning July 1, 2017.

The weekly amount paid for the Accident and Sickness Benefit with Contribution Rates of \$4.40/hour or higher shall be decreased as follows:

	<u>Hour Per Week</u>	<u>Weekly Benefit Amount</u>	<u>Maximum No. of Weeks</u>
<u>Class IV</u>	35+	\$100	six weeks
<u>Class III</u>	25-34	\$ 80	six weeks
<u>Class II</u>	15-24	\$ 60	six weeks
<u>Class I</u>	0-13	\$ 40	six weeks

The weekly amount paid for the Accident and Sickness Benefit with Contribution Rates between \$4.15/hour and \$4.39/hour shall be decreased as follows:

	<u>Hour Per Week</u>	<u>Weekly Benefit Amount</u>	<u>Maximum No. of Weeks</u>
<u>Class IV</u>	35+	\$100	six weeks
<u>Class III</u>	25-34	\$ 80	six weeks
<u>Class II</u>	15-24	\$ 60	six weeks
<u>Class I</u>	0-14	\$ 40	six weeks

The weekly amount paid for the Accident and Sickness Benefit with Contribution Rates between \$3.90/hour and \$4.14/hour shall be decreased as follows:

	<u>Hour Per Week</u>	<u>Weekly Benefit Amount</u>	<u>Maximum No. of Weeks</u>
<u>Class IV</u>	35+	\$100	six weeks
<u>Class III</u>	25-34	\$ 80	six weeks
<u>Class II</u>	15-24	\$ 60	six weeks
<u>Class I</u>	0-14	\$ 40	six weeks

### **Modifications of Death Benefit, Accidental Death and Dismemberment Benefit and Survivor Monthly Death Benefit Effective July 1, 2017**

The lump sum Death Benefit will only be paid for the death of a participant (employee) occurring on or after July 1, 2017. The lump sum Death Benefit will no longer be paid for the death of a spouse or dependent who die on or after July 1, 2017. For deaths occurring on or after July 1, 2017, there will be a reduction in the amount of the lump-sum Death Benefit and a reduction in the lump-sum death

benefit of the Accidental Death and Dismemberment (ADD&D) Benefit as indicated in the charts below.

The Survivor Monthly Death Benefit will be reduced to coverage of a maximum of three (3) months to a beneficiary for a death of a Participant occurring on or after July 1, 2017. If a death of a Participant occurs prior to July 1, 2017, the benefits are grandfathered, i.e., the beneficiary will receive the number of months and the amount of the benefit reflected in the January 1, 2017 Schedule of Benefits. There will also be a decrease in the monthly survivor benefit amount for deaths that occur on or after July 1, 2017.

Changes to the amount of the Death Benefit, AD&D Benefit and Survivor Benefit amounts for death of Participant occurring on or after July 1, 2017 with Contribution Rates of \$4.40/hour or higher, shall be decreased as follows:

	<u>Hours Per Week</u>	<u>Death Benefit</u>	<u>AD&amp;D Benefit</u>	<u>Monthly Survivor Benefit</u>
<u>Class IV</u>	35+	\$5,000	\$5,000	\$300.00
<u>Class III</u>	25-34	\$3,500	\$3,500	\$200.00
<u>Class II</u>	15-24	\$2,000	\$2,000	\$150.00
<u>Class I</u>	0-14	\$1,000	\$1,000	\$100.00

Changes to the amount of the Death Benefit, AD&D Benefit and Survivor Benefit amounts for death of Participant occurring on or after July 1, 2017 with Contribution Rates between \$4.15/hour and \$4.39/hour, shall be decreased as follows:

	<u>Hours Per Week</u>	<u>Death Benefit</u>	<u>AD&amp;D Benefit</u>	<u>Monthly Survivor Benefit</u>
<u>Class IV</u>	35+	\$4,500	\$4,500	\$300.00
<u>Class III</u>	25-34	\$3,000	\$3,000	\$200.00
<u>Class II</u>	15-24	\$1,500	\$1,500	\$150.00
<u>Class I</u>	0-14	\$ 750	\$ 750	\$100.00

Changes to the amount of the Death Benefit, AD&D Benefit and Survivor Benefit amounts for death of Participant occurring on or after July 1, 2017 with Contribution Rates between \$3.90/hour and \$4.14/hour shall be decreased as follows:

	<u>Hours Per Week</u>	<u>Death Benefit</u>	<u>AD&amp;D Benefit</u>	<u>Monthly Survivor Benefit</u>
<u>Class IV</u>	35+	\$4,000	\$4,000	\$300.00
<u>Class III</u>	25-34	\$2,500	\$2,500	\$200.00
<u>Class II</u>	15-24	\$1,000	\$1,000	\$150.00
<u>Class I</u>	0-14	\$ 500	\$ 500	\$100.00

### **Modifications of the Scholarship Program Effective July 1, 2017**

The Scholarship Program has been eliminated effective July 1, 2017. No new scholarships will be awarded. This change in benefits will not impact students who have been awarded scholarships prior to July 1, 2017. Students who received award letters prior to July 1, 2017 will be permitted to renew their scholarship annually as provided in the Plan Document.