

# **SOUTHERN CALIFORNIA PIPE TRADES HEALTH & WELFARE FUND**

(Active Plan)

## **SUPPLEMENT No. 6**

To: All Participants

From: Board of Trustees

Date: November 2013

Re: Prescription Drug Coverage Improvements

### **KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION**

Beginning in 2014 there are significant improvements in your Prescription Drug Coverage. The \$1,800 Calendar Year maximum benefit per person will be enhanced with an improved, tiered benefit. Also, Participants will be able to take advantage of the Blue Shield of California Pharmacy Provider Network. Below are detailed descriptions of the changes.

#### New Tiered Benefit Structure

The Health & Welfare Fund (Active Plan) will continue to pay 100% of the first \$1,800 of incurred charges (subject to a \$50 deductible). In addition, new reimbursement tiers have been added. Effective for claims incurred on or after January 1, 2014, the Fund will pay 50% of the next \$4,200 and 65% of incurred charges exceeding \$6,000 in a Calendar Year.

#### New Blue Shield Pharmacy Network

Effective January 1, 2014, the Health & Welfare Fund has partnered with Blue Shield of California to take advantage of Blue Shield's Pharmacy Provider Network. Participants and eligible Dependents can benefit from in-network discounts. Moreover, Blue Shield's pharmacy mail order service, PrimeMail, will offer the convenience of 90-day prescriptions mailed to your home. Also, high-cost specialty medications will be available through Blue Shield's specialty pharmacy network (Caremark and Walgreens), and can be mailed to your home.

No one is required to use the Blue Shield pharmacy network. You are encouraged to shop around for prescription medication in order to maximize your benefit. However, to access Blue Shield's network discounts, you should fill your prescriptions at a Blue Shield network pharmacy. Examples of network pharmacies include: Walgreens, RiteAid, CVS, SavOn, Costco and Safeway/Vons/Pavilions. You will also be able to search for participating pharmacies on the internet at <http://www.blueshieldca.com/fap/app/search.html>. Click on Pharmacies, and enter your search criteria. You can also call the Fund Office's Member Services department at 1-800-595-7473 (select option 2).

### New Identification Card

You will receive a new Health & Welfare Fund identification card in December 2013. Your card will indicate that the Health & Welfare Fund participates in the Blue Shield of California Pharmacy Provider Network.

### No Change to Reimbursement Process

The reimbursement process will not change. You will continue to pay for all prescription drugs and continue to file prescription claims with the Fund Office.

Unless specifically noted, all of the Fund's exclusions and limitations will continue to apply unchanged.

### Revised Summary Plan Description Sections

The following revisions to the Summary Plan Description reflect the improvements discussed above.

This amendment modifies the Summary Plan Description, Section 11, subsection E (Prescription Drug Coverage).

Specifically, in Section 11, subsection E of the Summary Plan Description (Prescription Drug Coverage), the first sentence is eliminated and the following sentence is substituted:

“The Prescription Drug benefit will be paid as described below to the extent the incurred charges exceed the separate \$50 Calendar Year Deductible.”

Also in Section 11, subsection E of the Summary Plan Description, the sixth paragraph is eliminated:

“The Plan's maximum Calendar Year Prescription Drug benefit is \$1,800 for each Participant and Eligible Dependent.”

The following paragraph will take its place:

“The Plan's Calendar Year Prescription Drug benefit is as follows for each Participant and Eligible Dependent: 100% of the first \$1,800, 50% of the next \$4,200, and 65% of Calendar Year incurred charges exceeding \$6,000.”