Plumbers, Pipe Fitters & MES
Local Union No. 392 Health and Welfare Fund

Phone (513) 241-0444
Fax (513) 241-1130

1228 CENTRAL PARKWAY • ROOM 100
CINCINNATI, OHIO 45202

(toll free) 1-877-249-3539
e-mail: info@local392fringefunds.com

Dear Participants and Retirees:

The Trustees of the Plumbers, Pipe Fitters & Mechanical Equipment Service Local Union No. 392 Health and Welfare Fund made revisions to the plan of benefits. These changes are described in detail in the attached Summary of Material Modifications and are summarized as follows:

- Effective January 1, 2017, the Trustees amended the Plan to provide for a Medicare Advantage and Prescription Drug ("MAPD") Plan, which generally provides medical and prescription drug benefits to Class F Retirees and prescription drug benefits to Rx Only Retirees. The Trustees selected Aetna to provide the MAPD Plan.

- Effective January 1, 2017, the Trustees selected Delta Dental of Ohio as its dental benefits administrator. As a result of this selection, the Plan added a three tier network of dental providers, which will provide you and your family with the greatest access to the Dentist of your choice.

Please keep this notice with your Summary Plan Description (SPD) booklet for future reference. If you have any questions, please call the Fund Office.

Sincerely,

Board of Trustees

The Plumbers, Pipe Fitters and Mechanical Equipment Service Local Union No. 392 Health and Welfare Fund
Summary of Material Modification
April 2017

Medical and Prescription Drug Benefit Changes for Class F – Medicare Retirees

The Board of Trustees is pleased to announce that the Welfare Fund is working with Aetna to provide medical and prescription drug benefits to Class F Retirees under the Medicare Advantage and Prescription Drug ("MAPD") Plan and prescription drug benefits to Rx Only Retirees under the Medicare Prescription Drug Plan, effective January 1, 2017.

Eligibility Changes for Class F – Medicare Retirees

If you are eligible for and elect Class F Benefits and make timely Class F Self-Payments or if your Dependents are eligible for Medicare, you and your eligible Dependents will automatically be enrolled in the MAPD Plan.

You **MUST** be enrolled in Medicare Parts A and B and continue to pay your Medicare Part B monthly premium to the Social Security Administration, including any income-related surcharges, to be eligible for coverage under the MAPD Plan.

The MAPD Plan provides all of the benefits of original Medicare Parts A and B and Medicare Part D prescription drug coverage. Under the MAPD Plan, you will have access to a national network of providers. The MAPD Plan will pay for services provided by any physician, facility, or hospital that accepts Medicare assignment and agrees to the MAPD plan's payment terms and conditions. "Assignment" means that your provider agrees (or is required by law) to accept the Medicare-approved amount as full payment for covered services.

Eligibility Changes for Rx Only Retirees

If you are eligible for and elect Rx Only Coverage and make timely Rx Only Self-Payments, you will automatically be enrolled in the Medicare Prescription Drug Plan. The Medicare Prescription Drug Plan provides only Medicare Part D prescription drug coverage.

You **MUST** be enrolled in Medicare Parts A and B and continue to pay your Medicare Part B monthly premium to the Social Security Administration, including any income-related surcharges, to be eligible for coverage under the Medicare Prescription Drug Plan.

Changes to the Schedule of Benefits for Class F – Medicare Retirees

Effective January 1, 2017, Class F Benefits are subject to the following deductibles, maximums and limitations. The amounts listed below for medical and prescription drug benefits provide an ***overview*** of covered expenses under the MAPD Plan. **Please contact Aetna at (888) 267-2637 for a complete list of covered expenses.**

Benefit	**Benefit Amount or Limitation**
Death Benefit	$2,000 for Local 59 Retirees $10,000 for all other Retirees whose death occurs after September 25, 2009, but excluding Local 113 retirees who participate in the Plan solely because of their union's merger with Local 392 on or after May 1, 1998.
Medical Benefit under the MAPD Plan	
Calendar Year Deductible	$200 per person
Out-of-Pocket Maximum per Calendar Year	$2,000 per person
Preventive Care	MAPD Plan pays 100%
Primary Care Physician Visit	MAPD Plan pays 80%
Diagnostic Procedures	MAPD Plan pays 80%
Urgent Care	$50 co-payment
Emergency Care	$75 co-payment (waived if admitted)
Ambulance Services	MAPD Plan pays 80%
Inpatient Hospital Care	$200 co-payment per day (days 1-5)
Inpatient Mental Health Care	$200 co-payment per day (days 1-5)
Inpatient Substance Abuse	$200 co-payment per day (days 1-5)
Skilled Nursing Facility Care	MAPD Plan pays 100% (days 1-20) MAPD Plan pays 80% (days 21-100)
Home Health Care	MAPD Plan pays 100%
DME/Prosthetic Devices	MAPD Plan pays 80%
Prescription Drug Benefit under the MAPD Plan	
Your Minimum Co-Payment Amount During Initial Coverage and Coverage Gap	**Retail (30 day supply)** / **Mail (90 day supply)**
Generic	$8 / $16
Preferred Brand	$15 / $30
Non-Preferred Brand	$20 / $40
Your Minimum Co-Payment Amount During Catastrophic Coverage	
Generic	Greater of $3.30 or 5%
All other Drugs	Greater of $8.25 or 5%

Changes to the Schedule of Benefits for Rx Only Retirees

Effective January 1, 2017, Rx Only Retiree Benefits are subject to the following maximums and limitations. The amounts listed below for prescription drug benefits provide an ***overview*** of covered expenses under the Medicare Prescription Drug Plan. **Please contact Aetna at (888) 267-2637 for a complete list of covered prescription drug expenses.**

Benefit	**Benefit Amount or Limitation**	
Death Benefit	$2,000 for Local 59 Retirees $10,000 for all other Retirees whose death occurs after September 25, 2009, but excluding Local 113 retirees who participate in the Plan solely because of their union's merger with Local 392 on or after May 1, 1998.	
Prescription Drug Benefit under the Medicare Prescription Drug Plan		
Your Minimum Co-Payment Amount During Initial Coverage and Coverage Gap	**Retail (30 day supply)**	**Mail (90 day supply)**
Generic	$8	$16
Preferred Brand	$15	$30
Non-Preferred Brand	$20	$40
Your Minimum Co-Payment Amount During Catastrophic Coverage		
Generic	Greater of $3.30 or 5%	
All other Drugs	Greater of $8.25 or 5%	

Other Benefits under the Welfare Plan

The Fund Office will continue to handle questions related to eligibility and self-payments, as well as process claims and answer questions related to the Death Benefit and the Health Reimbursement Arrangement ("HRA").

Dental Expense Benefit Changes
Class A Active Employees and Class C Pre-Medicare Retirees

Effective January 1, 2017, the Trustees selected Delta Dental of Ohio as its dental benefits administrator. As a result of this selection, the Plan added a three tier network of dental providers, which will provide you and your family with the greatest access to the Dentist of your choice.

1. PPO Network

You and your eligible Dependents will receive the greatest discounts and benefit levels if you choose a Dentist in the PPO network. This is because the Dentists in the PPO network agree to provide services at fees that are generally lower than those of non-participating Dentists.

To minimize your out-of-pocket costs, contact Delta Dental or the Fund Office for information about Dentists in the Plan's PPO network. Although you are not required to use the PPO Dentists, when you use PPO Dentists, you will reduce costs for both you and the Fund.

2. Non-PPO Premier Network

It is recommended that you select a Dentist within the Dental PPO network, but the second most favorable option is to choose a Dentist in the Non-PPO Premier network. The Premier network is much larger, giving you more Dentists to choose from, but has lower discounts. Although a Premier Dentist is considered a Non-PPO provider, the Premier Dentist receives the total of the reimbursement from the Plan and your co-payment, if any, as full reimbursement for covered services.

3. Non-PPO Providers

If you and your Dependents choose a Dentist who is not in the Plan's PPO or Non-PPO Premier network, this Dentist may balance bill you for services. Balance billing would mean you pay the difference between what the health insurance chooses to reimburse and what the provider chooses to charge. Both PPO and Premier Dentists are prohibited from balance billing you for services. You will incur more out-of-pocket costs if you choose a nonparticipating Dentist.

For Example: John is choosing a new Dentist and is considering a Dentist in each network tier. In the upcoming year, he knows he will need two fillings and a root canal. The following example demonstrates what John will pay for each Dentist:

PPO Network		**Non-PPO Premier Network**		**Non-PPO Provider**	
Dentist's Billed Fee:	$2,000	Dentist's Billed Fee:	$2,000	Dentist's Billed Fee:	$2,000
PPO Fee Schedule Amount:	$1,500	Maximum Approved Fee:	$1,750	Non-PPO Dentist Fee:	$1,750
Delta Dental pays 50% of the PPO Fee Schedule Amount:	$750	Delta Dental pays Calendar Year Maximum:	$700	Delta Dental pays Calendar Year Maximum:	$700
John Pays:	$750	**John Pays:**	$1,050	**John Pays:**	$1,300*

*If you seek care from a Non-PPO Dentist and that Dentist charges more than Delta Dental's Non-PPO Dentist Fee, you must pay the difference from your own pocket. In the above example, the difference (and subsequent out-of-pocket expense) is $250.00. When you add the difference to the amount owed by John ($1,050) after the Calendar Year Maximum is paid, you arrive at $1,300.00.

Changes to Schedule of Benefits for Dental Expenses

Effective January 1, 2017, the Schedule of Benefits for Class A Active Employees and Class C Pre-Medicare Retirees is revised to provide for the Delta Dental network as follows:

Dental Expense Benefit	*Delta Dental PPO Charges*	*Delta Non-PPO Premier Charges*	*Non-PPO Charges**
Calendar Year Maximum	$700 per person (does not apply to expenses incurred by Dependent children under age 19 for Preventive and Diagnostic services)		
Calendar Year Deductible	$100 per person (does not apply to Preventive or Diagnostic services)		
Preventive & Diagnostic Services	80% of PPO amount	80% of maximum approved fee	80% of nonparticipating Dentist fee
All Other Dental Services (Basic and Major Services)	50% of PPO amount	50% of maximum approved fee	50% of nonparticipating Dentist fee

* If you seek care from a Non-PPO Dentist and that Dentist charges more than Delta Dental's Non-PPO Dentist Fee, you must pay the difference from your own pocket.

Updated Plan Vendor Information

Due to the recent service provider changes, the Board would like to present you and your family with a complete and updated list of Plan vendor information. Please keep this notice with your Summary Plan Description (SPD) booklet for future reference.

The **Fund Office** is responsible, under the oversight of the Board, for providing various administrative services for the Fund, including maintaining eligibility records, ensuring that Plan provisions are followed on the payment of claims, handling member requests for information and for providing various reports and other services that the Fund requires. At www.local392fringefunds.org, you will receive unique passwords that will allow you to access your personal eligibility/claims history and to view the Plan/SPD 24 hours a day, 7 days a week. The site contains additional links and services you will find valuable in understanding and using your coverage effectively. Please take full advantage of this service. Additionally, the Fund Office will be available for any questions members may have regarding Plan benefits in general, as well as questions specific to an individual member's eligibility or claims at **(513) 241-0444, Extension 1.**

The **Preferred Provider Organization (the "PPO" or "network")** provides access to medical providers offering discounted fees in exchange for the Plan's reimbursement of their services at a higher level than for non-network providers. ***The Trustees selected Anthem as its PPO.*** The Anthem ID card is accepted by an extremely wide range of Hospitals, Physicians and other health care providers who have agreed to participate in the network program. Please call the number provided on your ID card, the Fund Office or visit www.anthem.com to identify PPO providers.

The **Pharmacy Benefit Manager ("PBM")** provides access to pharmacies and mail order services offering discounted prices for covered Prescription Drugs in exchange for the Plan's coverage of such services at a higher level than for non-participating pharmacies or mail order providers. ***The Trustees selected Express Scripts to provide the Plan's preferred prescription drug coverage.*** Active Employees and Class C Retirees should contact Express Scripts at (877) 605-7235 or www.express-scripts.com for answers to their prescription drug questions.

The **Pre-Certification/Utilization Review Organization ("UR")** helps you and the Plan reduce costs and wasteful expenses by reviewing, authorizing and certifying certain medical procedures, admission and other medical expenses. This process is called the Pre-Certification Program (also known as the Utilization Review Program). ***The Trustees selected Med-Care Management to provide Pre-Certification and UR services to the Plan.*** You can contact Med-Care Management for any Pre-Certification questions and/or to request Pre-Certification at (800) 367-1934.

The **Medicare Advantage and Prescription Drug Plan** generally provides medical and prescription drug benefits to Class F Retires and prescription drug benefits to Rx Only Retirees. These benefits are exclusively provided through a contract with an insurance carrier and paid in accordance with the terms of the applicable policy. ***The Trustees selected Aetna to provide the Medicare Advantage and Prescription Drug Plan.*** Please call **Aetna at (888) 267-2637** for more information.

The **Dental PPO** provides access to dental providers offering discounted fees. ***The Trustees selected Delta Dental to provide the Plan's Dental PPO.*** Active Employees and Class C Retirees should contact Delta Dental at **(800) 524-0149** or visit www.DeltaDentalOH.com for further information regarding PPO providers.

If you have any questions about these changes or your benefits, please contact the Fund Office.