



**Welfare Fund
of Local No. One, I.A.T.S.E.**

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SUMMARY OF MATERIAL MODIFICATIONS

To: All Participants in the Welfare Fund of Local No. One, IATSE
 From: Scott Cool, Director of Fund Administration
 Date: July 15, 2020
 Re: **Important Changes to Your Welfare Fund Provided Benefits**

This document is a Summary of Material Modifications ("SMM") intended to notify you of important changes made to the Welfare Fund of Local No. One, IATSE ("the Plan"). Please read this SMM carefully and keep it with the copy of the 2016 Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding this change to the Plan, please contact the Fund Office during normal business hours at 320 West 46th Street, 6th Floor, New York, New York, 10036, (212) 247-5225.

Due to concerns regarding the financial health of the Welfare Plan resulting from the COVID-19 pandemic, the Board of Trustees has determined to make changes to your Welfare Fund-provided medical and pharmacy benefits. Effective for the Plan Year beginning July 1, 2020, all participants who qualify for Tier I, II or III benefits will receive coverage under a new "Recovery Tier" of benefits.

The Recovery Tier is based on the current Tier I benefits, with additional changes to provide strong incentives for participants to use in-network providers, avoid high- cost prescriptions when equivalent lower-cost options are available, and generally become better, smarter consumers of healthcare services, all of which will work towards helping the Welfare Fund extend its ability to pay your claims further into the future.

1. Following are key features of the Recovery Tier of benefits effective July 1, 2020:

Feature	Recovery Tier Coverage
<p>Medical Deductible (7/01/2020-6/30/2021)</p>	<p><u>In-Network</u> \$750 per individual \$1,500 per family</p> <p><u>Out-of-Network</u> \$10,000 per individual \$20,000 per family</p>
<p>Office Visits (Physician/Specialist)</p>	<p><u>In-Network</u> \$50 copay for both primary care physicians and specialists, not subject to the deductible</p> <p><u>Out-of-Network</u> You must pay for all out-of-network office visits until you meet the out-of-network deductible, then you will pay \$50 per visit for a primary care physician and \$65 per visit for a specialist, plus 50% of the remaining cost</p>

<p align="center">Inpatient Hospital</p>	<p><u>In-Network</u> 70% coverage, after \$500 per admission copay and after you have met the in-network deductible</p> <p><u>Out-of-Network</u> 50% coverage, after \$500 per admission copay and after you have met the out-of-network deductible</p>
<p align="center">Hospital Emergency Room</p>	<p><u>In-Network</u> 70% coverage, after \$200 per visit copay and after you have met the in-network deductible</p> <p><u>Out-of-Network</u> A true emergency is covered as if it were in-network*</p>
<p align="center">Diagnostic Lab Testing and Imaging</p>	<p><u>In-Network</u> Lab & X-rays: 100% coverage, no deductible or copay Complex Imaging: \$50 copay, no deductible</p> <p><u>Out-of-Network</u> 50% after you meet the out-of-network deductible</p>
<p align="center">Medical Maximum Out-of-Pocket Expenses</p>	<p><u>In-Network</u> \$5,350 per individual \$10,700 per family</p> <p><u>Out-of-Network</u> Unlimited out-of-pocket expenses</p>
<p align="center">Prescription Drugs</p>	<p><u>Retail Purchase at Participating Pharmacy:</u> Generic Drugs: \$5 copay Formulary Brand Name Drugs: \$45 copay after prescription drug deductible of \$50 per individual/\$100 per family Non-Formulary Brand Name Drugs: Not covered Specialty Non-Preferred Drugs: \$60 copay</p> <p><u>Express Scripts Mail Order Copays (3 mos):</u> \$10 generic / \$90 Formulary Brand Name / \$120 Specialty Non-Preferred</p> <p>(Participants who qualify only for Basic Coverage will continue to receive coverage for Generic Drugs only.)</p>
<p align="center">Prescription Maximum Out-of-Pocket Expenses</p>	<p><u>In-Network</u> \$1,000 per individual \$2,000 per family</p> <p><u>Out-of-Network</u> Out-of-network prescription drugs are not covered, so there is an unlimited out-of-pocket</p>

* Note that by law you may receive a bill for the difference between the amount billed by the provider and the amount paid by the Plan. Please see page 47 of the Aetna Medical Benefits Booklet with regard to Aetna's policy on balance billing.

2. **Supplemental Hospital Indemnity Coverage:** Participants receiving Recovery Tier coverage will be automatically enrolled for supplemental Hospital Indemnity coverage through Aetna. This supplemental coverage pays cash benefits directly to participants for covered hospital stays as follows:

- Hospital Admission: \$750 (once per participant, per plan year)
- Hospital Daily Stay: \$50 (including substance abuse or mental disorder)
- ICU Daily Stay: \$100
- Rehabilitation Daily Stay: \$25
- Nursery admission (non-Nicu): \$100

Hospital daily benefits begin on day 2 and pay up to a maximum of 15 days per participant for the Plan Year (July 1 through June 30).

3. **Teledoc Services:** Participants receiving Welfare Fund-provided coverage will be eligible for telehealth services through Teledoc as part of their Aetna medical coverage. General medicine visits do not require a copay. Specialist visits, including mental health and dermatology, will require the regular Recovery Tier specialist copay of \$50.

4. **Non-Preferred Drugs:** Non-preferred drugs will no longer be covered. Participants currently receiving a non-preferred drug will be contacted by Express Scripts and will be encouraged to speak to their physicians regarding generic or preferred brand name drugs which are therapeutic equivalents of their current prescriptions. Participants who continue to receive non-preferred medications will be responsible for the full cost of such drug. *Please note that specialty non-preferred drugs are not affected by this change.*

5. **Recovery Tier Self-Pay Premiums:** Self-pay premium rates for Recovery Tier coverage will be as follows:

Self-Pay Premium Rates for Active Participants

Category	Coverage	Quarterly Rates 7/01/2020 to 6/30/2021
Participants who had covered earnings greater than \$81,500 in 2019	Participant Only	\$520
	Participant + 1	\$641
	Family	\$762
Participants who had covered earnings greater than \$37,500 and less than \$81,501 in 2019	Participant Only	\$331
	Participant + 1	\$458
	Family	\$527
Participants Receiving Basic Coverage	Participant Only	\$331
	Participant + 1	\$1,813
	Family	\$3,319

Self-Pay Premium Rates for Early Retirees (non-Medicare)

Category	Coverage	Monthly Rates 7/01/20 to 6/30/21
Formerly Eligible for Tier I Coverage		
Age 60 through Age 64	Retiree Only	\$34
	Retiree + 1	\$83
	Family	\$109
Age Under 60	Retiree Only	\$59
	Retiree + 1	\$137
	Family	\$192
Formerly Eligible for Tier II Coverage		
Age 60 through Age 64	Retiree Only	\$54
	Retiree + 1	\$114
	Family	\$158
Age Under 60	Retiree Only	\$98
	Retiree + 1	\$192
	Family	\$273
Formerly Eligible for Tier III Coverage		
Age 60 through Age 64	Retiree Only	\$98
	Retiree + 1	\$192
	Family	\$267
Age Under 60	Retiree Only	\$174
	Retiree + 1	\$317
	Family	\$459

This SMM is intended to provide you with an easy-to-understand description of certain changes and/or clarifications to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this SMM and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the Plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.