

The Heat & Frost Insulators Local 17 Welfare Fund
Summary of Material Modifications
January 2017

Retiree Medical and Prescription Drug Benefit Changes

The Board of Trustees is pleased to announce that the Welfare Fund is working with Blue Cross Blue Shield (BCBS) of Illinois to provide you with medical and prescription drug coverage under the Blue Cross Medicare Advantage (PPO) Plan, effective January 1, 2017.

What is the Medicare Advantage Prescription Drug 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 Medicare Advantage Prescription Drug (MAPD) Plan.

If you meet these requirements and you are eligible for Retired Employee Coverage under the Welfare Plan, then you and your Medicare eligible Dependents will automatically be enrolled in 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. The MAPD Plan also provides ancillary benefits designed to help you achieve better health outcomes, including wellness and chronic disease management programs. For example, the following programs and services are available under the MAPD Plan:

- Silver Sneakers® Fitness Program
- Rewards and Incentives Program
- TruHearing

Under the MAPD Plan, you will have access to a national network of providers. This means you will not have to change your current doctor, facility or hospital as long as your doctor, facility or hospital accepts Medicare Assignment and the plan. "Assignment" means that your provider agrees (or is required by law) to accept the Medicare-approved amount as full payment for covered services.

What are my Out-of-Pocket Costs under the Medicare Advantage Prescription Drug Plan?

Below is a summary of the medical and prescription drug benefits that you will receive under the MAPD Plan.

<i>Major Medical Benefit Under the Medicare Advantage Prescription Drug Plan</i>		
Calendar Year Deductible (Does not apply to coverages that require a co-payment)	\$200 per person	
Out-of-Pocket Maximum per Calendar Year (Includes the calendar year deductible)	\$200 per person	
<i>Covered Medical Expenses Paid by Medicare Advantage Prescription Drug Plan</i>		
Primary Care Office Visit	100%	
Specialist Office Visit	100%	
Emergency Care	100%	
Emergency Ambulance	100%	
Inpatient Hospital Care	100%	
Outpatient Hospital Services	100%	
Hearing Exam	100% once every calendar year	
Hearing Aids	100% up to \$1,000 for hearing aids every 36 months*	
<i>Prescription Drug Benefit Under the Medicare Advantage Prescription Drug Plan</i>		
<i>Your Co-Payment Amount During Initial Coverage and Coverage Gap</i>	<i>Retail (30-day supply)</i>	<i>Mail (90-day supply)</i>
Generic	\$8 co-payment	\$16 co-payment
Preferred Brand	\$20 co-payment	\$50 co-payment
Non-Preferred Brand	\$50 co-payment	\$150 co-payment
Specialty	\$50 co-payment	\$150 co-payment

<i>Your Co-Payment Amount During Catastrophic Coverage</i>	
Generic	Greater of \$3.30 or 5%
All other Drugs	Greater of \$8.25 or 5%
<i>Major Medical Benefit under the Welfare Fund</i>	
Hearing Care	
Maximum Benefit	80% of Usual and Customary Fees up to \$2,000 per ear except for bone anchored hearing aids (osseointegrated auditory implants) for Dependent children under the age of 19* *The Hearing Care Benefit under the Plan will be reduced by the amount of benefits that you receive under the Medicare Advantage Prescription Drug Plan.
Frequency Limit	One per ear for any 36 consecutive month period

Under the MAPD Plan, all of your medical and prescription drug claims will be submitted directly to BCBS for payment and not Medicare. This will help eliminate any confusion to coordinate benefits between Medicare and the Welfare Fund.

Please be aware the benefits listed above are provided exclusively through a fully-insured contract with BCBS. This means your medical and prescription drug benefits provided under the MAPD Plan will be paid in accordance with the BCBS policy.

For further information about your medical and prescription drug benefits, please refer to your Welcome Kit or contact BCBS at (877) 299-1008.

What about my Other Benefits under the Welfare Plan?

The Fund Office will continue to handle questions related to contributions, eligibility, and self-payments, as well as process claims and answer questions related to dental and vision reimbursements, death benefits, and the Health Reimbursement Account (HRA).

Recent Trustee Appointment

Effective October 5, 2016, Mr. Robert Flynn was appointed as a Union Trustee, replacing Mr. John Crinion, to the Boards of Trustees of the International Association of Heat and Frost Insulators Local 17 Welfare, Pension and Annuity Funds. The following provides contact information for the Trustees of the Funds:

Union Trustees	Employer Trustees
<p>Mr. Bob Flynn International Association of Heat & Frost Insulators Local 17 Welfare Fund 18520 Spring Creek Drive Tinley Park, Illinois 60477</p>	<p>Mr. Peter Castellarin M&O Insulation Company P.O. Box 759 Homewood, Illinois 60430</p>
<p>Mr. Thomas McGrath International Association of Heat & Frost Insulators Local 17 Welfare Fund 18520 Spring Creek Drive Tinley Park, Illinois 60477</p>	<p>Mr. Jeffrey Corrado Imico, Inc. 1110 Heinz Drive, Unit D East Dundee, Illinois 60118</p>

New Fund Administrator

Effective January 1, 2017, Ms. Mary McMullin will be the new Fund Administrative Manager, replacing Mr. William Mangin.

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