

**The Heat & Frost Insulators Local 17 Welfare Fund**  
**Summary of Material Modification**  
**November 2015**

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**Selection of New Pre-Certification/Utilization Review Organization**

Effective January 1, 2016, the Trustees selected Telligen, Inc. to replace Hines & Associates, Inc. as the Plan's Pre-Certification/Utilization Review Organization. As you know, the Pre-Certification/Utilization Review Organization helps you and the Plan reduce costs and wasteful expenses by reviewing, authorizing and certifying certain medical procedures, admission and other medical expenses.

To ensure you receive the maximum benefits available under the Plan, you should ask your Physician to contact the Fund Office when referring you for services as a part of an ongoing treatment plan to determine if such services are subject to case management, pre-authorization and/or utilization review. If you have any questions or to request pre-authorization, please contact Telligen Inc. at (800) 383-2856.

**Applied Behavioral Analysis Added as a Covered Medical Expense**

Effective January 1, 2016, the Trustees amended the Plan to provide coverage for Applied Behavioral Analysis (ABA) services for the treatment of autism. ABA is the process of systematically applying interventions based upon principles of learning theory to improve socially significant behaviors.

To receive coverage for ABA therapy under the Plan, the following conditions must be met: (1) the services must be administered by a provider that is certified and licensed in the state to perform such services in which the services are provided; (2) the services must consist of a written individualized treatment plan; (3) the services must be approved in advance by the utilization review organization; and (4) the covered person must be a Dependent child under the age of 26.

Please be aware that if you do not contact the Fund's utilization review organization prior to incurring such expenses, all charges incurred will be subject to a \$250 penalty. The penalty may not be applied towards your deductible, co-insurance, co-payments or out-of-pocket maximum.

**Physical Therapy, Occupational Therapy and Speech Therapy**  
**Subject to Pre-Authorization and Written Individualized Treatment Plan**

Effective January 1, 2016, you must contact the Fund's utilization review organization prior to incurring expenses for physical therapy, occupational therapy and speech therapy. You must also submit a written individualized treatment plan for such services. Once you have provided the necessary information, the utilization review organization will evaluate the proposed services based on your individual treatment needs.

If you do not contact the Fund's utilization review organization prior to incurring such expenses, all charges incurred will be subject to a \$250 penalty. The penalty may not be applied towards your deductible, co-insurance, co-payments or out-of-pocket maximum.

## **Pre-Authorization for Durable Medical Equipment over \$1,000**

Effective January 1, 2016, you must contact the Fund's utilization review organization prior to incurring expenses for durable medical equipment over \$1,000. If you do not contact the Fund's utilization review organization prior to incurring such expenses, all charges incurred will be subject to a \$250 penalty. The penalty may not be applied towards your deductible, co-insurance, co-payments or out-of-pocket maximum.

## **Changes to Specialty Preferred Drug Program**

Effective January 1, 2016, the Trustees amended the Plan to reflect changes to the specialty drug formulary. Specialty drugs are medications created to target and treat complex medical conditions and rare diseases.

The Plan enhanced the specialty drug program by adding the following drug classes to its preferred list of specialty drugs: (1) autoimmune; (2) chronic myeloid leukemia; (3) hematology; (4) hepatitis C; (5) human growth hormones; (6) osteoarthritis; (7) osteoporosis; (8) pulmonary arterial hypertension (PAH); (9) prostate cancer; and (10) transplants.

Please be aware that if you or your Dependent are currently taking a non-preferred specialty drug for the following conditions and/or therapies: (1) transplants, (2) human growth hormones; (3) Betaseron for MS; and (4) Revatio for PAH, you will be required to switch to a preferred specialty drug, effective January 1, 2016. If you have any questions about the specialty drug program, please contact CVS Health at (877) 411-8167.

## **Revised COBRA Premiums**

As you know, the standard COBRA premium is determined by the Trustees and may be adjusted from time to time. The Trustees recently reviewed the costs associated with providing benefits to individuals who self-pay through COBRA. Due to increasing healthcare costs, the Trustees determined that an increase was necessary. Accordingly, the COBRA rates will increase effective January 1, 2016 as follows:

	<b>New Rate Effective 1/1/16:</b>
Participant	\$350.00/month
Participant and Spouse	\$700.00/month
Participant and Family	\$1,000.00/month
Dependent Child under age 26	\$235.00/month
Former Dependent over age 26	\$631.63/month

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