



SOLANO AND NAPA COUNTIES
ELECTRICAL WORKERS BENEFIT FUNDS



June 2013

SOLANO-NAPA COUNTIES ELECTRICAL WORKERS HEALTH & WELFARE PLAN

Summary of Material Modifications

Effective September 1, 2013

**NOTICE TO ALL PARTICIPANTS REGARDING CHANGES TO THE
SOLANO-NAPA COUNTIES ELECTRICAL WORKERS HEALTH & WELFARE
PLAN**

The Trustees met on several occasions over the past months to address the financial position of the Solano-Napa Counties Electrical Workers Health & Welfare Plan (Plan). Despite a new wage package effective with June 2013 work hours, a 10.5% increase by Kaiser would have virtually consumed that entire package. The Trustees determined that these trends are not sustainable on either a short or long term basis. The Trustees explored all viable options including other insurance carriers, merging with other local IBEW Funds or the NECA IBEW National Family Medical Plan and benefit design modifications. In order to protect the health of the Plan, provide an affordable plan that remains within reach of Plan Participants in terms of cost and eligibility and provide continuing coverage to retirees, the Trustees have adopted the following changes to the Plan effective September 1, 2013.

Kaiser will implement a \$1,500 Individual/\$3,000 Family Deductible applicable to most services incurred through Kaiser.

You must pay most covered costs up to the **deductible** amount before Kaiser begins to pay for Covered Services you use. **However, as noted below Covered Services which are applied toward the Individual or Family Deductible can be submitted to the Plan for reimbursement. After the deductible has been met (individual or family) participants will remain responsible for copayments.**

- 1. The Out-of-Pocket (OOP) Maximum for Covered Services through Kaiser will increase to \$3000 per Individual or \$6000 per Family.**
- 2. The Copayments and Coinsurance for which the Participant is responsible for certain covered services obtained through Kaiser have changed.**

Please refer to the enclosed Kaiser Summary of Benefits.

SMM-1

3. Optical benefits are no longer available through Kaiser.

Except for routine eye examinations there will no longer be optical benefits for glasses, frames and contacts available through Kaiser. These charges can be submitted for reimbursement under your Supplemental Accumulated Share (SAS) VEBA account.

4. The Plan will during an annual period (the Calendar year) reimburse participants for coinsurance and deductibles actually incurred.

- a. When participant and/or dependent has accrued and paid at least \$250 toward coinsurance or deductible (either incrementally or for a single service) the Plan will reimburse on a dollar for dollar basis up to the maximum of \$1,500 for individual & \$3,000 for family towards deductibles and \$3,000 for individual and \$6,000 for family for deductible and coinsurance. The patient will be responsible for paying the full cost of the deductible and for any coinsurance that would be applicable for the services utilized before the Plan will reimburse the Participant.
- b. The participant/dependent must provide the Plan office with 1) a copy of the Summary of Account (SOA), Kaiser's version of an Explanation of Benefits (EOB), substantiating that a minimum of \$250 deductible/coinsurance has been incurred and 2) a receipt or cancelled check proving the expenses noted on the SOA/EOB have been paid by the participant/dependent.
- c. Thereafter, the participant/dependent will be reimbursed by the Plan upon submission to the Plan office of additional SOAs/EOBs and associated proof(s) of payment up to the limits specified above in Paragraph 4(a). Additional expense submissions must be made in amounts of no less than \$250 per submission.
- d. As stated above, reimbursement will be made in increments of no less than \$250. However, if at the end of the calendar year the participant/dependent's outstanding unreimbursed overage is less than \$250, they may submit that outstanding amount to the Plan office for reimbursement.

- e. Participants may use their Supplemental Accumulated Share (SAS) VEBA account balances for copayments and other qualified medical expenses not reimbursed by the Plan.

REMEMBER – YOU WILL NEED TO SUBMIT COPIES OF YOUR DEDUCTIBLE AND COINSURANCE SUMMARY OF ACCOUNT (SOA/EOB) AND PROOF OF PAYMENT TO THE PLAN OFFICE FOR REIMBURSEMENT OF DEDUCTIBLE AND/OR COINSURANCE.

Please keep this Summary of Material Modification with your Summary Plan Description. These important changes affect the health benefits that are provided to you and your family. If you have any questions, please contact the Plan Office at (866) 544-9880 or (925) 208-9980.

This document has been uploaded and is available on the participant website at www.ibew180benefitfunds.org