

Iron Workers St. Louis District Council Trust Funds

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SUMMARY OF MATERIAL MODIFICATION

Date: June 2017

To: Active Members, Early Retirees, and Qualified Dependents of the Iron Workers St. Louis District Council Welfare Trust Fund

From: The Board of Trustees

The purpose of this Summary of Material Modification (SMM) is to inform you of important changes **effective July 1, 2017** to the Specialty Medication coverage offered by the Iron Workers St. Louis District Council Welfare Trust Fund.

Specialty Medications

Specialty Medications are:

- Medications used in treating serious illnesses and conditions such as cancer, hemophilia, hepatitis C, multiple sclerosis, and rheumatoid arthritis;
- Defined oral, injectable, infused, or inhaled medications that are either self-administered or administered by a healthcare provider; and
- Medications that can be used or obtained in the hospital or in either an outpatient or home setting.

Specialty Medications have the following key characteristics:

- Need frequent dosage adjustments;
- Cause more severe side effects than traditional drugs;
- Need special storage, handling, and/or administration;
- Have a narrow therapeutic range; and
- Require periodic laboratory or diagnostic testing.

The Welfare Fund has worked with the Plan's Pharmacy Benefit Manager (PBM), LDI Integrated Pharmacy Services, to control the cost of specialty drugs for YOU and for the Welfare Fund by requiring the use of a single in-network LDI Specialty Pharmacy.

There are other ways to control the amount YOU and the Welfare Fund pay for Specialty Drugs without limiting your access. There are programs maintained by the pharmaceutical companies to help offset copayments. The following describes a change in the Plan designed to use those pharmaceutical company programs. **THE AMENDMENT DOES NOT INCREASE THE AMOUNT YOU WILL HAVE TO PAY FOR SPECIALITY MEDICATION.** In fact, this change could reduce the amount you will have to pay.

Beginning July 1, 2017,

- For specialty medications obtained through the LDI Specialty Pharmacy (in-network):
 - The Fund will pay 30% of the cost
 - You will be responsible for the remaining 70% of the cost
 - The Fund will then assist you in applying for any available copayment assistance and coupons from that pharmaceutical company
 - If assistance IS available from the manufacturer copay assistance program, Iron Workers St. Louis District Council Welfare Trust Fund will pay the remaining cost of the medication after the co-pay assistance or coupon payments are applied with no amount due from you.
 - Coupons, copay assistance, and other forms of financial assistance and any amounts not paid out of the participant or dependent's "pocket" are not counted towards any applicable deductible and/or out of pocket maximum.
 - If there is NO manufacturer copay assistance/coupons available for that medication or if it is a Limited Distribution Specialty Drug and has to be filled at a pharmacy other the LDI Specialty pharmacy, you will only be responsible for the applicable specialty copay amount as shown in the prescription drug schedule of benefits.
- For specialty medications obtained from a source other than the LDI Specialty Pharmacy:
 - You will only be responsible for the specialty copay amount as shown in the prescription schedule of benefits
 - The limited distribution specialty pharmacy should assist the individual in applying for any available copay assistance and coupons from pharmaceutical manufacturers and for payment from other plans covering the individual
 - Coupons, copay assistance, and other forms of financial assistance and any amounts not paid out of the participant or dependent's "pocket" will be counted towards any applicable deductible and/or out of pocket maximum as the limited distribution pharmacy does not transmit this secondary transaction to LDI

There is a specialty drug list maintained by LDI Integrated Pharmacy Services. Call the Fund Office or LDI Pharmacy Benefit Services if you have a question about whether a medication you are being prescribed is considered a Specialty Medication.

If you are currently on a Specialty Medication you will receive a letter or call about your situation. If you have not been contacted by **LDI**, please call **866-516-3121** to review your medications.

If you have any questions about your benefits, call the Fund Office at **877-597-8704** or visit the Fund's website at www.iwstldc.org. The website is a secure site that you can use to review benefit-related information 24 hours a day, 7 days a week.

This announcement highlights certain features of the Iron Workers St. Louis District Council Welfare Plan. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. The Trustees reserve the right to amend, modify, or terminate the Plan at any time.