

THE NELSON TRUST

WWW.NELSONBENEFITS.ORG

2024 Summary of Material Modifications

Please keep this Summary of Material Modifications (“SMM”) with your Summary Plan Description (“SPD”). These documents inform you of your rights and benefits under your Plan. The Summary Plan Description and all SMMs are available from the Trust Office (see address below) or online at www.nelsonbenefits.org.

The Board of Trustees has made the following benefit and administrative changes to the Active Participant Plan and Pre-Medicare Retiree Plan effective January 1, 2024.

MEDICAL PLAN CHANGES

To reduce the impact of rising medical costs, the Trustees approved increasing the deductibles and out-of-pocket maximums starting January 1, 2024 for Trust-sponsored medical plans. The medical plan changes are also summarized in the attached 2024 Summary of Benefits and Coverage (commonly called a “SBC”).

MEDICAL PLAN	2023		2024	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Annual Deductible				
Individual	\$800		\$900	
Family	\$1,600		\$1,800	
Annual Out-of-Pocket Maximum				
Individual	\$2,000	\$2,500	\$3,600	\$4,500
Family	\$4,000	\$5,000	\$7,200	\$9,000

PRESCRIPTION PLAN UPDATE: “RIGHT PRICE” DISCOUNT PROGRAM

Starting January 1, 2024, Trust members will have access to Premera’s Right Price Discount Card Program as part of their coverage under The Nelson Trust. With the Right Price Discount Card Program, you may realize savings on prescription drugs. If your prescription qualifies for additional savings, the discount will be applied without filling out a form.

NEW BENEFIT PORTAL / ONLINE ENROLLMENT

Trust administration is moving toward digital, non-paper methods for enrollment and communication of Trust coverages. **All Trust members must register and complete the process by November 30, 2023.** The enrollment process, what is required, and answers to common questions begin on page 2.

NEW WORKING SPOUSE REQUIREMENT

Spouses who work for a company that offers a medical plan will be required to enroll in their company's medical and prescription drug plan at their next open enrollment period starting January 1, 2024. Spouses subject to this provision will be emailed a form for their HR department to complete. Information about the new enrollment requirement begins on page 4.

THE NELSON TRUST

WWW.NELSONBENEFITS.ORG

NEW BENEFITS PORTAL: Online Benefit & Enrollment Platform

Trust administration is moving toward digital, non-paper methods for enrollment and communication of Trust coverages. All Trust members must register and complete the process by November 30, 2023. The online process will collect and confirm the following:

- Confirming the best mailing address, phone, and email to reach you
- Confirm that dependents enrolled under the Trust remain eligible
- Collect information regarding spouse employment

The enrollment process can be completed using a computer or smartphone and is designed to take 5 minutes or less. In the future, the Trust Office can provide information regarding new services, new resources, and reminders on important deadlines using emails and texts.

If you start the process and have questions, or if something is not working, call the Trust Office at 800-811-8853. If you cannot access a computer, this Trust Office can also help you enroll in the system for 2024. Trust members must provide an email address (no-cost options include Gmail and Yahoo).

Why is the Trust moving to online administration?

There are several reasons, but a key consideration was to move away from relying on postage and paper for basic benefit administration. Members can now enroll and access their benefit information using their smartphone or computer. The registration in the Benefit Portal will also allow communications using emails and texts.

What are the primary advantages for me?

Ease and convenience. Instead of filling out and mailing benefit forms, the same information can be provided using your smartphone or computer. Like the trend toward online banking, the world of benefits administration is also changing. And, just like today, if you need help and want to talk with someone, call the Trust Office at 800-811-8853.

How long will it take me to register and enroll?

Based on those who have used this system, the process takes approximately 5 minutes. For employees with enrolled dependents, it will take a few minutes longer since there are additional questions to verify that the enrolled dependents qualify for 2024 coverage. For dependents who are currently enrolled, no other forms are needed.

Will I have to verify my information again next year?

The enrollment and review process will be an annual requirement. Members each year must confirm and attest whether or not the enrolled dependent children and spouses are still eligible for continued coverage. However, should you need to update your dependents due to a birth, divorce, or adoption, you can update through the Benefits Portal throughout the year.

How do I know my registration worked?

When you complete the process, you will receive a confirmation email from the Trust Office that the process worked. Additionally, all Trust members will receive a letter in December to confirm enrollment status.

Failure to register and timely complete the annual enrollment will stop claims for employees and dependents starting January 1, 2024.

THE NELSON TRUST

WWW.NELSONBENEFITS.ORG

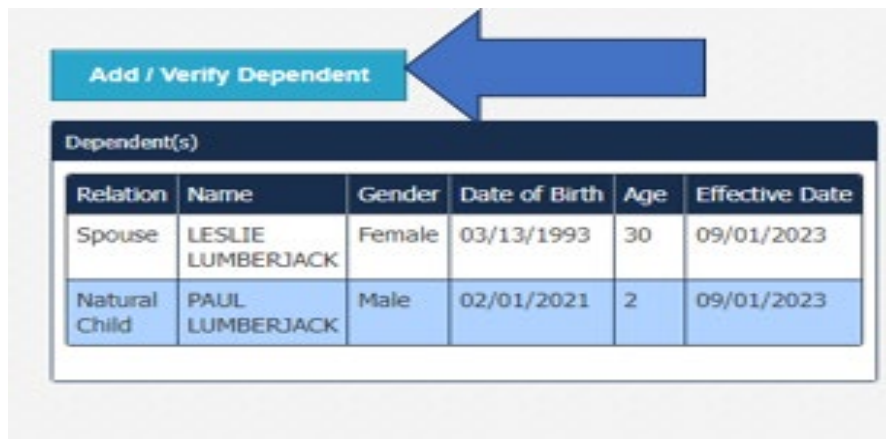
HOW TO ENROLL IN THE NEW BENEFITS PORTAL

- Go to www.ourbenefitoffice.com/nelson/benefits/

Follow the enrollment steps using your smartphone or computer.

- Create an Account and register
- Proceed to the Dependent Verification (*all members must click this button*)

Click the “Add/Verify Dependent” button (even if you do not have dependents)



A screenshot of a web interface. At the top, there is a blue button labeled "Add / Verify Dependent" with a large blue arrow pointing to it from the right. Below the button is a table titled "Dependent(s)".

Relation	Name	Gender	Date of Birth	Age	Effective Date
Spouse	LESLIE LUMBERJACK	Female	03/13/1993	30	09/01/2023
Natural Child	PAUL LUMBERJACK	Male	02/01/2021	2	09/01/2023

- Complete Part II – Dependent Information

Update and confirm dependents.

No changes? Just click the “No Dependent Changes” box.



A screenshot of a web form titled "Part II - Dependent Information". It contains a table with columns: Relation, Last Name, First Name, and M.I.

Relation	Last Name	First Name	M.I.
Natural Child	LUMBERJACK	PAUL	
Spouse	LUMBERJACK	LESLIE	
Natural Child ▼			

Below the table is a checkbox labeled "No Dependent Changes" with a large blue arrow pointing to it from the right.

- Answer the Working Spouse questions

If appropriate, an additional form will be emailed to you.

- Confirm and submit form

THE NELSON TRUST

WWW.NELSONBENEFITS.ORG

WORKING SPOUSE ENROLLMENT REQUIREMENT

For years, other employers saved thousands of dollars when spouses declined company benefits and used Trust benefits exclusively. Given the high cost to the Trust, the Trustees decided to require spouses to enroll in their own company plans on a primary basis (pays first) with the Trust coverage secondary.

This provision allows the Trust to provide a better benefits package for all members. The Trustees will require working spouses who work for an employer that offers a group medical plan to enroll in their company plan starting January 1, 2024.

All employees must register and create an account using the new Benefits Portal. The enrollment process will include questions for all employees to answer and focused questions on spouses working for a company with a group medical plan available.

What is the Working Spouse Requirement?

Spouses who work for a company that offers a medical plan will be required to enroll in their company's medical and prescription drug plan at their next open enrollment period starting January 1, 2024. Spouses subject to this provision will be emailed a form for their HR department to complete.

Is this Working Spouse Requirement optional?

No. The working spouse enrollment requirement is not optional. Spouses who work must enroll in their company medical and prescription plan starting January 1, 2024, or later if the benefit open enrollment occurs after January 1. Please comply with this requirement to ensure the timely payment of benefit claims for the spouse and family members.

Why is the Trust making these changes?

Changes are needed to keep the Trust's medical and prescription coverage as generous as possible. When working spouses decline their company medical plan and enroll exclusively in Trust benefits, non-trust employers save thousands of dollars by shifting this benefit expense from the company to the Trust.

My spouse's open enrollment occurs later in the year. What happens?

If your spouse's company plan's next open enrollment occurs after January 1, your spouse will be covered by the Trust coverage until they can enroll in their company plan. For example, if the spouse's company plan year renews in April, the Trust coverage is primary for January through March but secondary starting April 1.

Will my spouse still have Trust medical coverage?

Yes. The Nelson Trust will pay the difference between the amount your spouse's company pays and the amount The Nelson Trust would have paid as primary. In short, your spouse's plan takes the lead, and The Nelson Trust pays second.

What happens to Trust coverage for children?

Enrolling dependent children under the spouse's plan is not required but might be worth it if the premium cost share to enroll children is reasonable. If the spouse also enrolls the children under their company plan, the primary coverage for the children is determined by which parent's birthday arrives first in the year.

ADMINISTERED BY BENESYS, INC.

5331 SW MACADAM AVENUE, SUITE 258

PORTLAND, OR 97239

(503) 222-7696 (800) 811-8853 FAX (503) 228-01

Page | 4

THE NELSON TRUST

WWW.NELSONBENEFITS.ORG

How are claims paid with dual coverage?

The Nelson Trust will pay the difference between the amount your spouse's company pays and the amount The Nelson Trust would have paid as primary. In short, your spouse's plan takes the lead, and The Nelson Trust pays second. The three examples below highlight how dual coverage works between Trust and spouse coverage. Because there are so many health plan designs, payments will vary based on:

- Plan Deductible: The Trust's deductible is \$900. A spouse's plan is most likely higher, possibly lower.
- Plan Coinsurance: The Trust's in-network coinsurance is 80%; other plans coinsurance could be different
- Network status: Members are responsible for non-network bills that exceed the Allowed Amount

DUAL COVERAGE	Claim #1	Claim #2	Claim #3
In or Non-Network Provider	Network	Non-Network	Network
Providers billed charge	\$350	\$770	\$2,200
Allowed Amount	\$250	\$500	\$1,500
Spouses Plan (Primary) Pays	\$175	Applied to Deductible	\$1,200
If Nelson Trust were Primary	\$200	\$300	\$1,200
Nelson Trust Pays (Secondary)	\$25	\$300	\$0

Allowed amounts less payments	\$50	\$200	\$300
Charges over Allowed Amount	Provider write-off	\$270	Provider write-off
YOUR RESPONSIBILITY	\$50	\$470 ¹	\$300

¹ You are also responsible for charges billed by the provider and not covered by either health plan. (\$770 – \$500 = \$270). This example assumes a non-network reimbursement rate of 60% for both plans.

Does this change impact my spouse's Trust's dental or vision coverage?

No, there are no requirements for the spouse to enroll in their own company dental or vision plan. However, it may be worth having two dental and vision plans. For example, the cost of an expensive dental repair where dental coverage is 50%, being covered by two plans together would likely cover most of the dental charges.

What happens to the Trust coverage if my spouse is no longer employed?

If your spouse's employment ends, coverage typically continues until the end of the month. At the end of the month, when coverage ends, the employer's plan should offer the option to continue coverage under COBRA or state continuation (applies to small employers). The Nelson Trust will continue as a secondary plan if the former coverage is maintained. If the former coverage is not continued, the Trust will be primary.