January 1, 2019

Summary of Material Modification
BAC Local No 3 Health and Welfare Trust Fund

TO: All Active Participants
FROM: Board of Trustees
SUBJECT: New Hearing Aid Benefit - Effective January 1, 2019
PPO Self-Funded Plan: New Podiatry Benefit - Effective October 1, 2018

The Trustees are pleased to announce an improvement for all Trust Participants to your hearing coverage:

New Hearing Aid Benefit

Effective January 1, 2019, the Plan will introduce an allowance for hearing aid devices up to a maximum of $1,000 per ear once every thirty-six (36) months, as medically necessary. Coverage for a replacement hearing aid or aids becomes effective thirty-six (36) months from the order date of the previous hearing aid device obtained and reimbursed by the Plan. Please note that any charges in excess of the $1,000 allowance is your responsibility.

Reimbursement of the $1,000 allowance per ear may be obtained by submitting a reimbursement form with supporting documentation to the Plan Office. Payment of claims will be subject to the regular claims payment procedures of the Plan.

The Trustees are also pleased to announce two improvements to your Self-Funded PPO Plan coverage, which are described separately below:

New Podiatry Benefit

Effective October 1, 2018, the Self-Funded PPO Plan introduced coverage for medically necessary podiatry services to treat conditions related to the foot and ankle. This includes conditions such as plantar fasciitis, bunions, toe and foot deformity, tendonitis, diabetic foot ulcerations and other medical foot and ankle conditions.

The copay is $20 when seeing a PPO provider and $40 when seeing a non-PPO provider. If surgery is required, you must satisfy the Annual Deductible and are responsible for a percentage of the incurred covered charge (20% when you use a PPO provider). Your out-of-pocket expenses are lower when using a PPO provider. If an orthotic device or support is necessary, the Plan will provide coverage consistent with any other covered medical supply charge.

A list of participating medical providers and specialists in the Anthem Blue Cross network is available, free of charge, from the Plan Office. You can also look up a PPO podiatrist or other PPO providers online at www.anthem.com/ca/.
**New Laser Eye Surgery Benefit**

Effective January 1, 2019, the Fund will introduce an allowance for laser eye surgery up to a lifetime maximum of $500 per eye (e.g. LASIK or PRK). This means the Plan will reimburse you up to $500 per eye at any laser eye correction facility you select to perform the procedure. Please note that you may not be a candidate for laser eye surgery, so please check with your primary care physician or ophthalmologist. Please also note that any charges in excess of the $500 allowance is your responsibility.

Reimbursement of the $500 allowance per eye may be obtained by submitting a reimbursement form with supporting documentation to the Plan Office. Payment of claims will be subject to the regular claims payment procedures of the Plan.

**Other Information**

This group health plan believes this plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits, effective for this plan on July 1, 2011.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator at: BeneSys Administrators, P.O. Box 1607, San Ramon, CA, 94583, Tel: (888) 208-0250. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

Please contact the Plan Office at (888) 208-0250 if you have any questions concerning these changes or your eligibility for coverage.

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**Please keep this notice with your Plan Document and Summary Plan Description booklet effective July 1, 2015. Plan payments provided for in the Plan can be reimbursed only to the extent that the Plan has available adequate resources for such payments. The Board of Trustees has the right to amend, change or discontinue the types and amounts of benefits under this Plan at any time.**

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