



CEMENT MASONS & PLASTERERS LOCAL UNION #518 FRINGE BENEFIT FUNDS

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

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July 2011

**TO: ALL ELIGIBLE PARTICIPANTS OF THE CEMENT MASONS & PLASTERERS LOCAL
518 HEALTH CARE FUND**

**RE: SUMMARY OF MATERIAL MODIFICATIONS – CHANGE IN MEDICAL BENEFITS
DEPENDENT CHILDREN COVERAGE AND STEP THERAPY**

It is the intention of the Board of Trustees of your Health Care Plan to change benefits from time to time when the financial soundness of the Fund requires, and at other times to comply with changes to the Federal law. The Board of Trustees has made changes to comply with the requirements of the new health care reform laws. Please keep this updated information with your Summary Plan Description for future reference.

The following change has been made to your Welfare Plan effective July 1, 2011:

Dependent Children Coverage

The Plan's current age limit for Dependent coverage has been raised to age 26 regardless of student status, financial dependency status or marital status. Coverage will continue through the end of the month of which the child turns age 26. However, a Dependent child age 19 or older will only be covered if the Dependent child does not have other health insurance available through his/her employment or through his/her spouse's employment. Coverage for Dependent children is conditioned upon enrolling the child(ren) during the annual open enrollment period each year.

The rules for coverage of a Dependent child over age 26 who is financially dependent on the active or retired participant for support due to a physical or mental Disability remain unchanged.

Those participants with Dependent children whose coverage was dropped under the current rules will receive additional information regarding re-enrollment rights for those Dependents.

EXCEPTION: There is an exception in that the Plan will still make coverage available to unmarried full-time college students who may have employer-sponsored health care coverage available. If your eligible child age 19 but less than age 26 is currently a full-time student at an accredited college, university, vocational-technical school or trade school and has other coverage available through their employer they will be approved to continue coverage under this Plan as your Dependent as long as a proof of enrollment is returned to the Fund Office within the requested time frame. Failure to comply with this requirement will result in termination of benefits under the Plan until the next open enrollment opportunity.

The following changes have been made to your Welfare Plan effective August 1, 2011:

Lifetime Maximum for Major Medical Benefits

The current \$500,000 lifetime maximum for Major Medical Benefits for all participants has been removed.

Annual Maximum for Major Medical Benefits

A new \$500,000 Annual Maximum for Major Medical Benefits has been added.

Prescription Drug Card Benefit – Step Therapy

The Plan has elected to implement the Sav-Rx Step Therapy Program in an effort to maintain and preserve a high quality and cost-effective program for you. This program is mandatory for certain medication classes. The Step Therapy Program through Sav-Rx is designed to ensure you take the most cost-effective medications to treat certain conditions. The program promotes the use of generic medications because they are proven to be as safe and effective as brand name medications for most patients, but cost much less.

The Step Therapy Program groups certain medications into “steps”. Generic medications, which are the most cost effective, fall into the “first-step” category, preferred brand-name medications fall within the “second-step” category and non-preferred brand-name medications, which are the least cost effective, fall into the “third-step” category. The Step Therapy Program steers members to take first-step medications prior to coverage of a second step medication and to take a second step medication prior to coverage of a third step medication.

The medication classes which qualify for the Step Therapy Program include: Proton Pump Inhibitors, ARB antihypertensives, oral osteoporosis medications, cholesterol-lowering statins, sleep aids, SSRI antidepressants, and steroid nasal sprays. Below is a chart illustrating the brand name drugs that fall within these drug classes required for Step Therapy:

DRUG CLASS	BRAND NAME
Proton Pump Inhibitors (PPI)	Aciphex, Kapidex, Protonix, Prevacid, Prilosec, Zegerid, Nexium
Statins	Crestor, Lescol XL, Livalo, Mevacor, Pravachol, Zocor, Lipitor, Advicor, Vytorin, Simcor
ARBs	Cozaar, Avapro, Teveten, Atacand, Benicar, Diovan, Micardis
ARB/HCTZ	Hyzaar, Avalide, Teveten HCT, Atacand HCT, Benicar HCT, Diovan HCT, Micardis HCT
Sleep Aids	Ambien, Sonata, Lunesta, Rozerem, Ambien CR
Osteoporosis	Fosamax, Actonel, Boniva, Fosamax Plus D
Steroid Nasal Sprays	Nasacort, Astepro, Flonase, Omnaris, Beconase, Patanase, Rhinocort, Astelin, Veramyst, Nasonex
SSRI Antidepressants	Cymbalta, Pristiq, Celexa, Lexapro, Paxil, Paxil CR, Prozac, Zoloft, Effexor, Effexor XR, Sarafem, Pexeva

You will receive a letter directly from Sav-Rx notifying if you or your Dependents are taking medications in any “second-step” or “third-step” category. The letter will outline the procedure you must follow beginning August 1, 2011. On or after this date, your prescription for any of these “second-step” or “third-step” categories will be denied unless physician has determined that you require a different medication for medical reasons and the Sav-Rx Clinical Department have provided a prior authorization.

You will be required to use the following procedures if you are currently taking any “second-step” or “third-step” prescriptions of the above medication classes:

1. Contact your physician and share the step therapy information contained in your letter. Your physician can decide which first-step medication is right for you.
2. If you have already tried one of the first-step medications and your physician has determined that you require a different medication for medical reasons, then your physician can call Sav-Rx at 1-800-228-3108 to request a prior authorization for you to continue taking the medication. The Sav-Rx Clinical Department can advise your physician if a second-step medication is required. Just remember that you pay a higher co-pay for brand medications.
3. You have the option to take any medication that your physician prescribes, however it may not be covered under the benefit plan if the proper steps are not taken first.

EXCEPTION: If you are currently taking any medications in the SSRI antidepressants category you will NOT be subject to the mandatory Step Therapy Program. However, if you are prescribed a new medication in this class after August 1, 2011 you will be required to follow the Step Therapy Program for that new prescribed medication in this class.

Statement Regarding Status as a Grandfathered Health Plan

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.

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, TIC International Corporation at 1-913-236-5490. 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.

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If you have any questions regarding these changes, please contact the Fund Office at 1-913-236-5490.

Sincerely,

BOARD OF TRUSTEES