SUMMARY OF MATERIAL MODIFICATIONS

Date: January 19, 2018

To: ALL PARTICIPANTS
TEAMSTERS LOCAL 639 – EMPLOYERS HEALTH TRUST FUND

From: The Board of Trustees of the Teamsters Local 639 - Employers Health Trust Fund

Subject: Notice of Plan Changes

Dear Participant:

This Summary of Material Modifications announces changes to: 1) the Fund's coverage of opioid prescription drug medications effective March 1, 2018; 2) the Member Assistance Program effective January 1, 2018; and 3) the Your Health First Program effective January 1, 2018.

Please read this document carefully and keep it in a safe place.

1. **Opioid Medication Management Program. Effective March 1, 2018**, the Fund, with the help of Caremark, will introduce an opioid medication utilization management strategy under the Fund's Prescription Drug benefit plan. The opioid management program is aligned with the Guideline for Prescribing Opioids for Chronic Pain issued by the Centers for Disease Control and Prevention (CDC) in March 2016 and is based on morphine milligram equivalents (MMEs) – a measure of the number of equivalent milligrams of morphine a drug contains. This program is designed to positively influence the safe use of opioids to treat pain. Specifically, this opioid management program will include the following:

   - Limit Days' Supply. The length of the first prescription will be limited to seven (7) days (when appropriate) for new, immediate release acute prescriptions for members who do not have a history of prior opioid use, based on their prescription claims. A physician can submit a prior authorization request if it is important to exceed the seven-day limit.

   - Limit Quantity. The quantity of opioid products prescribed (including those that are combine with acetaminophen, ibuprofen, or aspirin) will be limited to 90 MME per day. Physicians who believe a patient should exceed CDC Guideline recommendations can submit a prior authorization request for up to 200 MME

(over)

per day. Quantities higher than that would require an appeal. Products containing acetaminophen, aspirin, or ibuprofen will be limited to four (4) grams of acetaminophen or aspirin, and 3.2 grams of ibuprofen a day.

- Require Step Therapy. Use of an immediate-release (IR) formulation will be required before moving to an extended-release (ER) formulation, unless the Participant has a previous claim for an IR or ER product, or the physician submits a prior authorization.

  Caremark will be sending targeted communications to affected Participants – and their prescribing physicians –before the program's effective date. As you review this information, please also refer to the Prescription Drug section of your SPD.

2. **Member Assistance Program Changes. Effective January 1, 2018**, the Trustees will be eliminating the Member Assistance Program providing assessment, counseling, education and referral services administered by Cigna Behavioral Health, Inc. However, the Fund continues to provide mental health and drug and alcohol dependency benefits to its Participants. Please consult your Summary Plan Description ("SPD") and the January 1, 2014 Summary of Material Modifications ("SMM") for the full scope of those benefits covered under the Fund's plan of benefits.

3. **Your Health First Program Changes. Effective January 1, 2018,** the Trustees will be eliminating the Your Health First chronic condition and disease management program administered by Cigna, which assisted Participants in *understanding and managing* their condition. However, the Fund continues to provide diagnosis and treatment benefits to Participants afflicted with chronic conditions and diseases. Please consult your SPD for the full scope of those benefits covered under the Fund's plan of benefits.

This SMM describes changes to the Fund's benefits and should be kept with your SPD for handy reference and safekeeping.

If you have any questions, please do not hesitate to contact the Fund Office at (800) 983-2699.

The Trustees continue to reserve the right to amend, modify, or terminate the Fund and any or all benefits provided thereunder.

Sincerely,
The Board of Trustees

GRANDFATHERED HEALTH PLAN

This group health plan believes it 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 Fund Office. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (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. You may also contact the U.S. Department of Health and Human Services at www.healthreform.gov.