

**SUMMARY OF MATERIAL MODIFICATIONS TO
THE HEALTH AND BENEFIT TRUST FUND OF THE INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL UNION NO. 94-94A-94B, AFL-CIO**

To: All Participants and Beneficiaries in the Health and Benefit Trust Fund of the International Union of Operating Engineers Local Union No. 94-94A-94B, AFL-CIO

From: The Plan Administrator of the Health and Benefit Trust Fund of the International Union Operating Engineers Local Union No. 94-94A-94B, AFL-CIO

Re: Important Changes to Your Prescription Drug Benefits and Certain Medical Diagnostic Testing Procedures

Date: June 11, 2015

This document is a Summary of Material Modifications ("SMM") intended to notify you of important changes to the prescription drug benefits as well as certain medical diagnostic testing procedures available under the Health and Benefit Trust Fund of the International Union of Operating Engineers Local Union No. 94-94A-94B, AFL-CIO ("the Plan"). This summary is intended to satisfy the requirements for issuance of a SMM under the Employee Retirement Income Security Act of 1974, as amended. You should take the time to read this SMM carefully and keep it with the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding this change to the Plan, please contact the Plan Administrator during normal business hours at: 331-337 West 44th Street, New York, New York, 10036, telephone number: (212) 331-1800.

Empire Blue Cross and Blue Shield ("Empire") – Precertification for Certain Medical Diagnostic Testing

Effective as of September 1, 2015 pre-certification will be required for the following medical diagnostic scans or tests:

- PET scans (Positron Emission Tomography)
- CAT scans (Computed Axial Tomography)
- Nuclear Stress Testing

In order to pre-certify for these tests or scans, please call 1-800-553-9603. You can also call this number for questions about **ALL** medical management services for medical and hospital claims submitted for coverage under the Plan.

In addition, for your convenience, the Plan will post an updated benefit grid on its website at www.local94.com reflecting all of the plan benefits, procedures, scans, and tests that require a pre-certification for medical and hospital services with Empire. If you do not obtain a pre-certification you will have to pay for the entire cost of the unauthorized medical diagnostic scans or tests.

Please note that all other medical or hospital benefits available under the Plan that are not specifically referenced above and currently require pre-certification will continue to impose such a requirement.

CVS/Caremark – Prescription Drug Benefits

Prior Authorization for Certain Compound Prescription Drugs

As a reminder, effective as of March 1, 2015, prior authorization is required for compound medications available under the Plan. Generally speaking, a compound medication is one that is made by combining, mixing or altering ingredients, in response to a prescription, to create a customized medication to fit the unique need of a patient.

As a result of this change, those of you who are prescribed compound drugs with a dollar threshold of \$300.00 are required to receive prior-authorization from the Plan in order for such drugs to be covered under the Plan. Your physician can request prior authorization by contacting the Plan's prescription drug benefit manager, CVS/Caremark, at 1-800-294-5979. If approved, you can receive the prescribed compound drug at the applicable co-payment required under the Plan. If you are not approved, your treating physician will have to prescribe an alternative, non-compound prescription drug. Otherwise, you will have to pay for the entire cost of the unauthorized compound prescription drug.

Please note that all other prescription drug benefits available under the Plan that are not specifically referenced above and currently require prior authorization will continue to impose such a requirement.

Topical Analgesics

As a reminder, effective as of June 1, 2015 select topical analgesics are excluded from coverage under the Plan. Generally speaking, this change impacts those topical analgesics that are used to address temporary relief of minor aches and muscle pains that come with:

- Arthritis
- Simple backache
- Strains
- Muscle soreness and stiffness.

If you have any questions regarding the above changes to the Plan, please feel free to contact the Fund Office at 212-331-1800.

This SMM is intended to provide you with an easy-to-understand description of certain changes to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this SMM and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.

IMPORTANT NOTICE REGARDING THE PLAN'S GRANDFATHERED PLAN STATUS

The Board of Trustees believes that the Plan is a "grandfathered plan" as such term is defined under PPACA (more commonly known as Health Care Reform). As permitted by Health Care Reform, a grandfathered health plan can preserve certain basic health coverage that was already in effect when Health Care Reform was enacted. Being a grandfathered health plan means that the medical coverage that you have elected under the plan may not include certain consumer protections of Health Care Reform that apply to other group health plans, for example, the requirement for the provision of preventive health services without any cost sharing (*i.e.*, copayments, coinsurance, deductibles). However, grandfathered health plans must comply with certain other consumer protections in Health Care Reform, for example, the elimination of lifetime limits on benefits and extension of coverage to dependents until age 26. 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 during normal business hours at: 331-337 West 44th Street, New York, New York, 10036, telephone number: (212) 541-9880. You may also contact the 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 plans.