

**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-
(COMMERCIAL DIVISION)**

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 – (Commercial Division)

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 – (Commercial Division)

Re: Plan Changes Consistent With the Mental Health Parity and Addiction Equity Act of 2008

Date: March 13, 2013

This document is a Summary of Material Modifications (“SMM”) intended to notify you of important changes to certain benefits available under the Health and Benefit Trust Fund of the International Union of Operating Engineers Local Union No. 94-94A-94B, AFL-CIO – (Commercial Division) (“the Plan”). These changes have been made to comply with the applicable requirements under the Mental Health Parity and Addiction Equity Act of 2008 (“MHPA”), and are effective as of January 1, 2013. 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. In addition, please note that these changes have been incorporated into the Summary of Benefits Coverage (“SBC”) for the Plan. The revised SBC is available on the Plan’s website. If you need another copy of the SPD or SBC, 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) 541-9880.

Overview of General Compliance Requirements under MHPA

MHPA requires that group health plans ensure that the financial requirements and treatment limitations for mental health and substance use benefits are no more restrictive than the requirements and limitations applied to the medical hospital and major medical coverage offered under the plan. Effective January 1, 2013, the Plan will apply the same standards for deductibles, copays, coinsurance and out-of-pocket expense maximums for mental health and alcohol/substance abuse benefits as it applies to medical and surgical benefits, in accordance with, and subject to the requirements of MHPA.

Plan Changes Impacting Commercial Active and PPO Retirees

Inpatient Mental Health – In-Network

- The 30 day per calendar year limit for inpatient mental health facility charges (in-network) has been eliminated.
- The deductible and co-insurance amounts have been eliminated so that medical/surgical inpatient mental health charges (in-network) will be paid at 100% of allowed amount.

Inpatient Mental Health – Out-of-Network

- The 30 day per calendar year limit for inpatient mental health facility charges (out-of-network) has been eliminated.

Outpatient Mental Health Visits – In -Network

- The 60 day per calendar year limit for outpatient mental health visits (in-network) has been eliminated.
- The co-payment for outpatient mental health services (in-network) increased to \$30.00 per visit (previously, the co-payment was \$25.00 per visit).

Outpatient Mental Health Visits – Out of Network

- The 60 day per calendar year limit for outpatient mental health visits (out-of-network) has been eliminated.

Inpatient Alcohol/Substance Abuse Treatment In-Network and Out-of-Network

- The 60 day per lifetime limit for inpatient alcohol/substance abuse treatment (in-network or out-of-network) has been eliminated.
- You will now have access to the Empire Blue Cross and Blue Shield (“Empire”) network for inpatient alcohol/substance abuse treatment. (The Villa Veritas facility is considered part of Empire’s network for this purpose).
- The 7 day per calendar year limit for inpatient alcohol/substance abuse detoxification treatment has been eliminated.

Outpatient Alcohol/Substance Abuse Visits In-Network and Out-of-Network

- The 60 day per calendar year limit on outpatient alcohol/substance abuse visits (in-network or out-of-network) has been eliminated.

Claims processing for mental health and alcohol/substance abuse benefits will continue to be processed through Empire. In addition, please note that out-of-network providers who do not participate with Empire may directly balance bill you the amount that exceeds Empire’s allowed amount for the benefit at issue.

You must obtain pre-certification from the Empire’s Behavioral Healthcare Management for inpatient mental health and alcohol/substance abuse services. Although your provider may obtain a pre-certification on your behalf, you are still ultimately responsible for doing so.

Plan Changes Impacting Commercial Basic Retirees

Inpatient Mental Health

- The 30 day per calendar year limit for inpatient mental health facility charges has been eliminated.

Outpatient Mental Health Visits

- The 60 day per calendar year limit for outpatient mental health visits has been eliminated.

Inpatient Alcohol/Substance Abuse Treatment

- The 60 day per lifetime limit on inpatient alcohol/substance abuse treatment has been eliminated.
- The 5 day per calendar year limit for inpatient alcohol detoxification treatment has been eliminated.
- The 14 day per calendar year limit for substance abuse inpatient detoxification treatment has been eliminated.

Outpatient Alcohol/Substance Abuse Visits

- The 60 day per calendar year limit on outpatient alcohol/substance abuse visits has been eliminated.

Claims processing for inpatient mental health and inpatient alcohol/substance abuse benefits will be paid based on Empire’s Schedule of Allowances. As such, there is no dedicated network of providers for such inpatient services. Accordingly, your inpatient provider for such services may balance bill you the amount that exceeds Empire’s allowed amount set forth under the Schedule of Allowances.

Claims processing for outpatient mental health and outpatient alcohol/substance abuse benefits will be paid based on Empire’s Schedule of Allowances. As such, there is no dedicated network of providers available for such outpatient services. Accordingly, your outpatient provider for such services may balance bill you the amount that exceeds Empire’s allowed amount set forth under the Schedule of Allowances.

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.