

**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: Prescription Benefit – Specialty Preferred Drug Plan Design

Date: September 25, 2013

This document is a Summary of Material Modifications (“SMM”) intended to notify you of important changes to the prescription benefits 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 an 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) 541-9880.

In an effort to keep the Plan’s overall prescription drug costs down and preserve the general plan of benefits available under it, the Board of Trustees of the Plan recently approved the implementation of a specialty preferred drug plan design program in the TNF Inhibitor Classes (Rheumatoid Arthritis, Crohn’s Disease and Psoriasis), and for the treatment of Multiple Sclerosis. Specifically, effective October 1, 2013, this program will steer utilization to the lowest cost preferred drugs in the biologic class for such specialty prescription drugs while offering appropriate, safe choices for patients and physicians. As a result, under this program, the applicable lowest cost preferred drug in the biological class will be substituted for the brand-name drug prescribed by your doctor, unless your doctor confirms with medical necessity, that the brand name prescribed medicine is required to be taken due to medical necessity. This new program, however, will not apply to any participant who is currently receiving one of the above-mentioned specialty drugs and, as a result, such participants will be deemed to be grandfathered under the Plan’s prior rules with regard to such specialty drugs. Accordingly, effective October 1, 2013, the only “new to therapy” participants will be subject to the new specialty preferred drug plan design and, as such, will be required to go thru the Plan’s step therapy procedures outlined above.

Going forward there may be additional therapeutic classes incorporated into this program as they are made available and will include: Hepatitis C, Pulmonary Arterial Hypertension, Anemia and IVIG (Intravenous Immunoglobulin).

To learn more about CVS Caremark Specialty Pharmacy you may visit Caremark.com/specialty or call CaremarkConnect® at 1-800-237-2767 or call 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 GOVERNMENT 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 the Patient Protection and Affordable Care Act of 2010 (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.*, co-payments, coinsurance, deductibles). 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 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.