

**SUMMARY OF MATERIAL MODIFICATIONS
TO THE
HEALTH AND BENEFIT TRUST FUND OF THE
INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL UNION 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 94-94A-94B, AFL-CIO

From: The Plan Administrator of the Health and Benefit Trust Fund of the International Union Operating Engineers Local Union 94-94A-94B, AFL-CIO

Re: Nondiscrimination and Accessibility Requirements of Section 1557 of the Affordable Care Act, Effective as of January 1, 2017

Date: December 23, 2016

This document is a Summary of Material Modifications (“SMM”) intended to inform you of certain changes and clarifications to the Health and Benefit Trust Fund of the International Union of Operating Engineers Local Union 94-94A-94B, AFL-CIO (“Plan” or “Fund”) to ensure that it complies with applicable nondiscrimination and accessibility requirements of Section 1557 of the Affordable Care Act. As discussed in greater detail below, these changes are effective as of January 1, 2017. This Summary is intended to satisfy the requirements for issuance of an SMM under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). If you have any questions regarding this change to the Plan, please contact the Plan Administrator during regular business hours at: 331-337 West 44th Street, New York, New York 10036, telephone number: (212) 541-9880.

Effective January 1, 2017, the Plan hereby confirms that the benefits thereunder are provided in a manner that does not discriminate on the basis of race, color, national origin, age, disability, or sex in accordance with applicable nondiscrimination and accessibility requirements under the Section 1557 of the Affordable Care Act. Specifically, the Plan will not deny, cancel, limit or refuse to provide health benefits; deny or limit a claim; or impose additional cost sharing for sex-specific health services provided to transgender individuals because the individual’s gender identity or recorded gender is different from the one to which such health services are ordinarily provided. The Plan also will not exclude coverage for services related to gender transition. In addition, the Plan will implement the criteria that would allow for transgender coverage for prescription drug specialty guideline hormonal therapies. Notwithstanding the foregoing, the Plan’s medical necessity rules will apply to these services, as they are applied to all other medical services, with no discrimination based on gender or gender identity.

If you have any questions regarding these changes for hospital and medical benefits, please call the Plan’s medical vendor, Empire Blue Cross Blue Shield, at (800) 553-9603, or visit their website at www.empireblue.com. If you have any questions regarding these changes for prescription drugs, please call the Plan’s prescription vendor CVS Caremark at (800) 769-9054, or visit their web-site at www.caremark.com. You may also contact the Fund Office at (212) 541-9880 or visit the Fund’s website at www.local94.com.

In addition to the foregoing, please note that the Plan provides free aids and services to people with disabilities to communicate effectively with us, such as:

- qualified sign language interpreters;
- written information in other formats (large print, audio, accessible electronic formats, other formats); and

- provides free language services to people whose primary language is not English, such as:
 - qualified interpreters;
 - information written in other languages.

If you need these services, or if you believe that the Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, please contact the Plan's Fund Administrator. In addition, please refer to your copy of the Plan's Notice and Statement of Nondiscrimination for more information about your these services. A copy of this Notice is also available on the Plan's website: www.local94.com, or can be obtained at the Fund Office.

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

As of the date of this Notice, the Trustees believe that the Fund 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" or the "Affordable Care Act"). 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 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 regular 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.