Alaska United Food and Commercial Workers Health and Welfare Trust

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Administered by
Welfare & Pension Administration Service, Inc.

March 29, 2023

TO: **All Eligible Participants of the Alaska United Food and Commercial Workers Health and Welfare Trust**

RE: **Benefit Changes**

This is a Summary of Material Modification describing changes to your health plan adopted by the Board of Trustees. Please be sure that you and your family read this notice carefully and keep it with your benefit booklet for future reference.

The following changes are made to the Alaska United Food and Commercial Workers Health and Welfare Trust ("Trust") benefits as of the dates listed below.

Changes Effective April 1, 2023

The following changes are made to the Trust's June 2017 Plan Booklet effective April 1, 2023.

1. **Removal of Exclusion for Self-Inflicted Injury (2017 Booklet, page 44)**

   The Plan has removed the exclusion related to intentionally self-inflected bodily injury.

2. **Removal of Exclusion for Pregnancy Expenses of Dependent Children (2017 Booklet, p. 37)**

   Maternity Expenses for Dependent Children will be covered under the same terms as for eligible Employees and Spouses. Please be aware that a child of a Dependent Child is not eligible for benefits from the Trust.

3. **Removal of Pre-Certification Requirements for Psychological Testing, Biofeedback and Outpatient Detoxification (2017 Booklet, pages 27-28)**

   Psychological Testing, Biofeedback and Outpatient Detoxification will no longer require pre-certification.

4. Subrogation and Recovery for Acts of Third Parties (2017 Booklet, p. 71-72)

The Trust has restated its previous provisions dealing with Subrogation and Recovery for Acts of Third Parties. The new updated language is attached as Appendix A to the Notice. These provisions will apply to request for services and supplies subject to third-party reimbursement requirements on or after April 1, 2023.

5. Coverage of Gender Identity Services – New

The Trust will cover medically necessary gender identity services. These services require pre-certification. For pre-certification Providers contact Aetna at 888-632-3862.

6. Coverage of Applied Behavior Analysis (ABA/Therapy) – New

The Trust will cover medically necessary Applied Behavioral Analysis (ABA/Therapy). These services require pre-certification.

For pre-certification Providers contact Aetna at 888-632-3862.

Changes Effective May 12, 2023

The Trust has provided coverage for COVID-19 tests and vaccines since March 2020 pursuant to federal law. The federal government has indicated that effective May 11, 2023 the COVID-19 national emergency will end. This means that health plans like the Trust are no longer required to cover COVID-19 tests, vaccines and related services without any cost sharing.

As of May 12, 2023 the Trust will provide the following benefits for COVID-19 vaccines and testing.

- Vaccines from in-network medical or pharmacy providers will continue to be covered at 100% and at no cost to you. If you need to confirm if a medical provider is in-network, contact www.aetna.com. If you want to confirm if a pharmacy is in-network, contact (800) 273-9166.
- Vaccines from out-of-network medical or pharmacy providers will not be covered.
- COVID-19 tests from in-network providers will be covered subject to normal plan terms such as deductibles and co-insurance requirements.
- COVID-19 tests from out-of-network providers will be excluded.
- Over-the-Counter COVID-19 tests will no longer be covered.

<u>Changes Effective July 11, 2023</u>

During the COVID-19 national emergency, a number of time periods for taking action under ERISA were extended to the lesser of one year or 60 days after the COVID-19 national emergency period ends (July 10, 2023). With the COVID-19 national emergency period ending July 10, 2023, the following time limits will revert to their pre-pandemic lengths:

- The 30-day period or 60-day period to request HIPAA special enrollment for you or your dependents.

- The 60-day period for electing COBRA continuation coverage after a qualifying event.

- The date for making COBRA premium payments (45 days after election for first payment or the end of the month for which coverage is sought for subsequent payments).

- The 60 day period to notify the plan of COBRA qualifying events involving divorce, legal separation, a child's loss of dependent status or disability determinations.

- The date within which individuals must file a benefit claim appeal under the plan's claims procedures (180 days after denial).

- The deadline for requesting external review for adverse benefits determinations involving medical judgment (4 months after denial of claim appeal).

<u>The Following Provides Examples of How the End of the COVID-19 National Emergency Will Impact These Timelines.</u>

- **<u>Appeals Example</u>.** A Participant received notification of an adverse benefit determination on March 30, 2022. The Participant would normally have 180 days in which to appeal the denial under the Plan (i.e., by September 26, 2022). The COVID-19 relief suspends this deadline until the earlier of the end of the outbreak period (July 10, 2023) or one year from the original deadline. Thus, the one-year extension suspended the 180-day time limit until March 30, 2023. The 180-day time limit to file an appeal begins on March 30, 2023. Because the 180-day time limit is already running on July 10, 2023, the end of the extension does not impact it. The Participant must submit an appeal within 180 days from March 30, 2023, which is September 26, 2023.

- **<u>COBRA Election Example</u>**. A qualified beneficiary was provided a COBRA election notice on June 1, 2022. The qualified beneficiary would normally have 60 days from the date of the COBRA election notice to make an election to receive COBRA continuation coverage (i.e., until July 31, 2022). Due to the COVID-19 relief, this period was suspended until the earlier of the end of the outbreak period (July 10, 2023) or one year from the original deadline. The 60-day COBRA time limit begins to run after one year on June 1, 2023, so the qualified beneficiary must make the

COBRA election no later than July 31, 2023. Note: COBRA continuation coverage must be continuous from the date Trust coverage ended.

- **Special Enrollment Example**. An eligible employee experienced a special enrollment qualifying event, the loss of other job-based health coverage from his spouse's employment, on August 1, 2022. He would normally have 30 days in which to request special enrollment, until August 31, 2022. The COVID-19 relief suspends this 30-day period until the earlier of the end of the outbreak period (July 10, 2023) or one year from the original deadline. The one-year extension would have extended his deadline to August 31, 2023 (one year plus 30 days from August 1, 2022), but is cut short by the expiration of the outbreak period on July 10, 2023. The 30-day period begins running July 10, 2023, and he must request special enrollment by August 9, 2023.

Questions

If you have questions or need further information, please contact the Trust Office at (800) 478-8329.

Board of Trustees
Alaska United Food and Commercial Workers Health and Welfare Trust

Important Reminder - You must advise the Administration Office of any changes in your basic demographic data, including changes in your name, marital status, dependents, other insurance coverage available, designated beneficiary, home address, email address and telephone number. Provide information changes by completing and sending a new Enrollment Form to the Administration Office. If you have a change in dependents: divorce requires a complete filed copy of your divorce decree along with any accompanying court orders including the parenting plan. Marriage requires a copy of your marriage certificate, the parenting plan for stepchildren and their birth certificates.

Failure to update your information on file may interfere with our ability to process your benefits and provide timely communication of important Plan information.

Appendix A

Alaska United Food and Commercial Workers Health and Welfare Trust

Third-Party reimbursement Requirements

The Plan excludes medical prescription drug and time loss benefits for any illness or injury if the costs associated with the illness or injury may be recoverable from a third party, through a workers' compensation system or from any other source.

If a Participant has a potential right of recovery for Illnesses or Injuries for which a third party may have legal responsibility, the Plan may advance benefits pending the resolution of the claim upon the following conditions:

- By accepting or claiming benefits, the Participant agrees that the Plan is entitled to reimbursement of the full amount of benefits that the Plan has paid out of any settlement or recovery from any source including any judgment, settlement, disputed claim settlement, uninsured motorist payment or other recovery related to the illness or injury for which the Plan has provided benefits.
- This right applies without regard to the characterization of the recovery by the affected Participant and/or any third party or the recovery source.
- The Plan does not recognize any make whole doctrine or otherwise limit its right to reimbursement based on the amount of the Participant's recovery. The Plan's right to reimbursement, however, will not exceed the amount of recovery.
- The Plan can require a Participant and the Participant's legal representative to sign and deliver all legal papers and take any other actions necessary to secure the rights of the Plan (including an assignment of rights to pursue the Participant's claim if the Participant fails to pursue his or her claim). If the Plan asks a Participant or the Participant's legal representative to sign an Agreement to Reimburse the Plan from the proceeds of any recovery, this must be done before the Plan will advance any benefits.
- The affected Participant agrees that he or she will do nothing to prejudice the Plan's reimbursement rights and will cooperate fully with the Plan, including signing any necessary documents and providing prompt notice of any settlement.
- The Participant acknowledges that the Plan is authorized to recover directly any benefits paid from any party liable to the Participant upon mailing of written notice to the potential payer and affected Participant or his or her representative.

- The maximum amount which will be advanced under an agreement to reimburse is $10,000 for medical benefits and ten (10) weeks for time loss benefits. The maximum will be waived and removed upon confirmation that all necessary documentation and information has been provided to the Plan and the Plan is fully assured that the Participant and the Participant's legal representative have complied and in the future will comply with the Plan's reimbursement provisions and the Agreement to Reimburse.

- When any recovery is obtained from a third party or insurance company whether by direct payment or settlement (including a disputed claims settlement) or award, judgment or in any other way, an amount sufficient to satisfy the Plan's reimbursement amount will be paid into a trust account and held there until the Plan's claim is resolved. The individual or entity that will hold the funds in trust is to be identified. The obligation to place the reimbursement amount in trust is independent of the obligation to reimburse the Plan and may be independently enforced. If the funds necessary to satisfy the Plan's reimbursement amount are not placed in trust, the injured person will be personally liable for any loss the Plan suffers as a result.

  If there are multiple parties or recoveries, the amount necessary to satisfy the reimbursement amount will be paid from each successive recovery until there is a sufficient amount in the trust to satisfy the Plan's claim at the time of settlement.

  The Plan will be automatically paid from the amount held in trust without regard to whether the injured person is made whole except the following reductions will be made if the injured person complies with the terms of the Plan and the Agreement to Reimburse: (a) the Plan will deduct a proportionate share of the injured person's attorney's fees and costs from the reimbursement amount; and (b) if application of the general rule results in the Plan receiving a greater reimbursement than the injured person, the Plan will reduce its claim so that it does not exceed 50% of the amount payable to or on behalf of the injured party.

- Venue for any enforcement action will be in King County, Washington where the Plan is administered. The Plan may bring an action in an appropriate court to enforce the Agreement to Reimburse, enforce the requirement that funds be placed in trust or to seek other appropriate relief. The Plan may also in its discretion offset future benefits pursuant to the Plan's Repayment of Improperly Paid Benefits provision to recover advanced benefits.

- The Plan may cease advancing benefits if there is a reasonable basis to determine the Plan provisions or any Agreement to Reimburse in any particular case is not enforceable, there is a reasonable basis for believing that the parties to the Agreement to Reimburse will not honor the terms of the Plan or the Board of Trustees modifies the Plan provisions related to the advancement of benefits.