

Alaska United Food and Commercial Workers Trust Funds

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Administered by
Welfare & Pension Administration Service, Inc.

August 1, 2016

To: All Active and Retired Plan Participants
Alaska United Food and Commercial Workers Health and Welfare Trust

Re: Summary of Material Modification
Benefit Changes Effective October 1, 2016 and November 1, 2016

Important Information: Please be sure you and your family read this notice carefully and keep it with your benefit booklet or important insurance papers for future reference.

Preferred Provider (PPO) Hospital in Anchorage

Beginning with dates of service *on and after* October 1, 2016, Alaska Regional Medical Center will replace Providence Alaska Medical Center in Anchorage as the Preferred Hospital. Mat Su Hospital will remain a Preferred Hospital in the Wasilla area. There are also PPO Hospitals and other Providers available to you throughout the State (and Country) through the Aetna PPO network, however, for Hospital Services in Anchorage and Wasilla, the Preferred Hospitals will be Alaska Regional and Mat Su Hospital.

Before October 1st, you will receive a new ID card with updated information. Please be sure to coordinate with your doctors if you are planning a hospital procedure to ensure that you are utilizing a Preferred Provider.

Plan Exclusions

The Trustees have clarified that the following services are ‘excluded’ from coverage:

- Surrogate Mother Expenses

Any services or supplies received in connection with a covered employee or covered dependent acting as a surrogate mother are excluded. Regardless of whether the employee or covered dependent is a biological parent. This exclusion applies to services or supplies related to the surrogate mother becoming pregnant, pregnancy and delivery charges. Additionally, a child of a surrogate mother shall not be considered a covered dependent if the child is not the biological child of an employee or adult covered dependent or if the surrogate mother has entered into a contract or has an understanding prior to becoming pregnant that she will relinquish the child following its birth. The plan also does not cover services or supplies provided to an individual not covered by the plan who acts as a surrogate mother for an employee or covered dependent. “Surrogate mother” is defined as a woman who becomes pregnant through artificial or assisted methods for the purpose of carrying the fetus to term for a third party.

Market Priced Drug (MPD) Program through RxTE

Effective November 1, 2016, the Trust will introduce a Market Priced Drug (MPD) program. As you know, drug makers continue to introduce many new expensive drugs to the marketplace. Often these very costly drugs have much lower cost alternatives (generic, or even over the counter in some cases) available to treat a condition or illness.

The new MPD program will help you and your provider identify lower cost drugs for treating some common health conditions. We are working with Avia Partner and RxTE to implement the new program beginning November 1, 2016. Additional information on the program is coming soon to explain how the program works, and how it can affect you. *Please watch your mailbox for information coming in the next 30 days.*

If you have any questions concerning the changes outlined above, please contact the Administration Office at (800) 478-8329.

Sincerely,

Board of Trustees

Alaska United Food and Commercial Workers Health and Welfare Trust