

Alaska United Food and Commercial Workers Trust Funds

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Administered by
Welfare & Pension Administration Service, Inc.

September 30, 2015

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

Re: Summary of Material Modification – Benefit Changes

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.

The Trustees adopted the following changes to the Alaska United Food and Commercial Workers Health and Welfare Trust (“Plan”). The changes are effective for services received on and after December 1, 2015. This notice should be considered an insert to your January 2010 Edition Summary Plan Description (Plan Booklet).

Outpatient Dialysis Treatment Benefits for ESRD

If you or your eligible dependents are diagnosed with end-stage renal disease (“ESRD”) you may be eligible for Medicare coverage by nature of the diagnosis. You are not obligated to apply for and enroll in Medicare Part A and/or Part B if you have ESRD. However, enrolling in Medicare when eligible may offer some protection from balance billing by the provider of ESRD services. Balance billing means the difference between the billed amount and the amount allowed by the Plan and/or Medicare.

Benefits for outpatient kidney dialysis for treatment of ESRD have been amended. Benefits are now provided by the Plan as follows:

- If you or your eligible dependents are not yet eligible to enroll in Medicare, benefits are provided for dialysis pursuant to the plan provisions described in the Medical Benefits section of the Plan booklet (beginning on page 22). There is no change from current benefits.
- If you or your eligible dependents are enrolled in, or are eligible to enroll in Medicare, and Medicare becomes or is eligible to become the secondary payer for ESRD services and supplies (regardless of whether you are actually enrolled in Medicare), benefits for kidney dialysis are provided at 150% of the current Medicare allowed amount.
- If Medicare becomes primary payer for ESRD services, the Plan pays secondary to Medicare and coordinates benefits up to 100% of the then current Medicare allowed amount for kidney dialysis.

Notwithstanding the above, the Plan may, at its sole discretion, agree to a contractual arrangement for payment with a provider of ESRD services. The contract may allow for a different payment for ESRD services than listed above or in the SPD, but in no circumstances will a contractual arrangement allow for a payment less than the payments listed above.

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In order to ensure the correct coordination of claim payments between the Plan and Medicare, you are required to provide the Administration Office with a copy of your card showing the effective date of your Medicare Part A and Part B coverage.

Sincerely,

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

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