

A.F.L. HOTEL AND RESTAURANT WORKERS TRUST FUNDS

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HEALTH & WELFARE • PENSION • TRAINING

TO: All Participants
AFL Hotel and Restaurant Workers Health and Welfare Trust Fund

FROM: Board of Trustees

SUBJECT: Annual Important Reminders

I. Women's Health and Cancer Rights Act of 1998 (WHCRA)

Under federal law, group health plans, insurers, and HMO's that provide medical and surgical benefits in connection with a mastectomy must provide benefits for certain reconstructive surgery, effective for the first plan year beginning on or after October 21, 1998. In the case of a participant or beneficiary who is receiving benefits under the plan in connection with a mastectomy and who elects breast reconstructive, federal law requires coverage in a manner determined in consultation with the attending physician and the patient for:

- Reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prostheses and treatment of physical complications at all stages of the mastectomy, including lymphedemas.

This coverage is subject to a plan's annual deductible and coinsurance provisions. These provisions are generally described in the Plan's Summary Plan Description ("SPD").

If you have any questions about whether your plan covers mastectomies or reconstructive surgery, please contact your Plan Administrator at (808) 523-0199 or (866) 772-8989 if you are calling from the neighbor islands.

II. Patient Protection and Affordable Care Act of 2010 (PPACA) – Grandfathered Health Plan Status

The AFL Hotel and Restaurant Workers Health and Welfare Trust Fund believes that its medical and prescription drug coverage, provided through the Self-Funded Comprehensive Medical Plan, the Indemnity Prescription Drug Plan, and the Kaiser Permanente Plan, is a "grandfathered health plan" under the Patient Protection and Affordable Care Act of 2010 (PPACA or Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. 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.

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 Trust Fund Administrator at 560 N. Nimitz Highway, Suite 209, Honolulu, Hawaii 96817, phone: (808) 523-0199 (Oahu) or 1 (866) 772-8989 (neighbor islands toll free). You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1 (866) 444-3272 of www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

III. Newborns' and Mothers' Health Protection Act of 1996 (NMHPA)

Group health plans and health insurance issuers generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a caesarean delivery. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). In any case, health plans and insurance issuers may not, under Federal law, require that a provider obtain authorization from the health plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours as applicable).

IV. Genetic Information Nondiscrimination Act of 2008 (GINA)

Effective January 1, 2010, the following provisions apply to the AFL Hotel and Restaurant Workers Health and Welfare Trust Fund. Under GINA, group health plans and health insurance issuers generally may not;

- Adjust premium or contribution amounts for the covered group on the basis of genetic information;
- Request or require an individual or a family member to undergo a genetic test;
- Request, require, or purchase genetic information for underwriting purposes;
- Request, require, or purchase genetic information with respect to any individual prior to such individual's enrollment or coverage under the plan. However, a doctor or health care professional who is providing health care services to you may request that you undergo a genetic test, which you voluntarily agree to, for treatment of a health condition. Then, the group health plan and health insurance issuer may obtain and use the results of a genetic test to make a determination regarding payment for medically necessary health care services, provided only the minimum amount of information necessary is requested.

In addition, group health plans may request, but not require, a participant or beneficiary to undergo a genetic test for research purposes if certain conditions are met, including that:

- The request is made in writing;
- The research complies with Federal and State laws;
- The plan clearly indicates to the participant or beneficiary that compliance with the request is voluntary; and
- The plan indicates that noncompliance will have no effect on eligibility or benefits.

V. Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA)

Effective January 1, 2010, the Self-Funded Comprehensive Medical Plan and Kaiser Permanente Plan implemented benefit changes in accordance with the Mental Health Parity and Addiction Equity Act of 2008, a Federal law that requires parity with respect to financial requirements and treatment limitations between mental health or substance abuse disorder benefits and medical/surgical benefits.