

November 2012

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

FROM: Board of Trustees

SUBJECT: Open Enrollment Period, Self-Funded Prescription Drug Plan, Self-Funded Comprehensive Medical Plan, and Self-Funded Vision Care Plan

The Board of Trustees, at their meeting of October 2, 2012, adopted the following changes:

I. Open Enrollment Period

For the next open enrollment only, the Trustees approved to change the open enrollment period from the month of November 2012 for coverage effective January 2013 to the month of February 2013 for coverage effective April 2013.

II. Self-Funded Prescription Drug Plan – Step Therapy Program

Effective December 1, 2012, for targeted medications, the Step Therapy Program requires participants of the Self-Funded Prescription Drug Plan to use preferred medications first. Certain generic medications must be tried before brand medications will be covered. Physicians may indicate trial and failure of these certain non-preferred medications, thus authorizing the use of a non-preferred medication. Catamaran, the pharmacy benefits coordinators, will send a notice to members who will be directly affected by this program. These communications will alert members to any forthcoming changes, and resources will be made available to answer additional questions members might have.

III. Self-Funded Comprehensive Medical Plan

Effective January 1, 2013, the Annual Maximum Dollar Limit for essential health benefits under the Self-Funded Comprehensive Medical Plan will increase from \$1,250,000 to \$2,000,000 per individual, in accordance with the Patient Protection and Affordable Care Act.

IV. Self-Funded Vision Care Plan

Effective January 1, 2013, the Schedule of Allowances under the Self-Funded Vision Care Plan will be as follows:

	Current Schedule Effective 9/01/07	New Schedule Effective 1/01/13
EXAMINATION		
Ophthalmologist (M.D.)	\$45.00	\$50.00
Optometrist (O.D.)	\$45.00	\$45.00

APPLIANCES

Single vision lenses & frame	\$90.00	\$105.00
Multifocal lenses & frame	\$110.00	\$125.00
Contact lenses	\$110.00	\$130.00
Frame only	\$40.00	\$50.00

FREQUENCY

Eye examinations	Once every 12 months	Once every 12 months
Lenses & frame	Once every 24 months	Once every 24 months
Contact lenses	Once every 24 months	Once every 24 months

Should you have any questions on the above changes or need assistance with your coverage, please contact the Trust Fund Office at 523-0199, or for neighbor islands, call toll free at 866-772-8989.

Disclosure of Grandfathered Status

The Trust Fund believes its group health plans are “grandfathered health plans” under the Patient Protection and Affordable Care Act (the 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 plan administrator, Benefit & Risk Management Services, Inc., at 560 North Nimitz Highway, Suite 209, Honolulu, Hawaii 96817-5315 or 1-808-523-0199. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.