October 2013

TO: **All Active Participants**
Hawaii Teamsters Health and Welfare Trust

FROM: Board of Trustees

SUBJECT: **Self-Funded PPO Comprehensive Medical Plan and Self-Funded HMO Medical Plan**

The Board of Trustees, at their meeting of August 2, 2013, approved the following changes:

I. Self-Funded PPO Comprehensive Medical Plan (Actives)

In conjunction with the Trustee approval of the increase in the annual maximum on essential health benefits under the Self-Funded PPO Comprehensive Medical Plan for Actives, the dollar limit of $5,000 for in vitro fertilization, which is an essential health benefit, was removed, **effective September 1, 2011**. However, the in vitro fertilization benefit is still limited to one procedure per lifetime, whether successful or not.

For more information on the in vitro fertilization benefit under the Self-Funded PPO Comprehensive Medical Plan, please refer to pages 51-52 of the Actives Summary Plan Description booklet dated November 2012.

II. Self-Funded HMO Medical Plan

In conjunction with the Trustee approval of an annual maximum on essential health benefits under the Self-Funded HMO Medical Plan, the $500 allowance for hearing aids, which is an essential health benefit, was removed, **effective September 1, 2011**. However, the benefit for hearing aids is still limited to one device per ear every three years and is covered at 80% of Eligible Charges.

For more information on the hearing aids benefit under the Self-Funded HMO Medical Plan, please refer to page 79 of the Actives Summary Plan Description booklet dated November 2012.

Should you have any questions on the above changes or need assistance with your coverage, please contact the Trust Office at 842-0392, or for neighbor islands, call toll free at (866) 772-8989.

Disclosure of Grandfathered Status

The Trust 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.