

September 2011

TO: All Active Participants and OTS Retirees and Spouses
Hawaii Teamsters Health and Welfare Trust

FROM: Board of Trustees

SUBJECT: Self-Funded PPO Comprehensive Medical Plan, Self-Funded PPO Prescription Drug Plan, For OTS Retirees and their Spouses under Age 65, HDS Plan, and Notification of a Disabled Child

The Board of Trustees, at their meeting of August 5, 2011, adopted the following changes:

I. Self-Funded PPO Comprehensive Medical Plan

A. Lifetime Limits No Longer Applies and Enrollment Opportunity

Effective September 1, 2011, the lifetime limit on the dollar value of essential benefits under the Hawaii Teamsters Health and Welfare Trust no longer applies. Individuals whose coverage ended by reasons of reaching a lifetime limit under the plan are eligible to enroll in the plan. Individuals have 30 days from the date of this notice to request enrollment.

B. Annual Maximum Limits

Effective September 1, 2011, the Annual Maximum Limits in the Self-Funded PPO Comprehensive Medical Plan increased from \$400,000 to \$750,000 for Actives and \$300,000 to \$750,000 for OTS Retirees under age 65. Also, the Annual Maximum Limits will be based on plan year from September through August of the following year.

C. Annual Copayment Maximum

Effective September 1, 2011, the Annual Copayment Maximum will be based on plan year from September through August of the following year.

D. Annual Deductible

Effective September 1, 2011, the Annual Deductible will be based on plan year from September through August of the following year.

II. Self-Funded PPO Prescription Drug Plan

A. Step Therapy Program for Cholesterol Medications

Effective October 1, 2011, if a brand name cholesterol medication has a generic alternative, the Step Therapy Program requires participants of the Self-Funded PPO Prescription Drug Plan to use the generic medication first. The plan will only cover brand name cholesterol medications that have a generic alternative if the participant's physician deems the brand name medication medically necessary.

B. Diabetic Sense Program

Effective October 1, 2011, the Diabetic Sense Program is available to participants of the Self-Funded PPO Prescription Drug Plan. Diabetic participants who enroll in the Diabetic Sense Program will receive the following:

- Free diabetic testing supplies
- A free glucometer (limited to one per year)
- Free home delivery of diabetic testing supplies (i.e. test strips, lancets, lancet injectors, syringes, and alcohol pads)
- Outreach by a Certified Diabetic Educator (CDE)

III. OTS Retirees and their Spouses under Age 65

Effective September 1, 2011, new retirees under age 65 must enroll in the Self-Funded PPO or HMO Plans. The Kaiser Health Plan is only available to retirees and their spouses under age 65 who were enrolled under the plan prior to September 1, 2011. Retirees and their spouses under age 65 who are currently enrolled in the Kaiser Health Plan can change their medical and drug plan during the next open enrollment.

IV. Hawaii Dental Services (HDS) Plan

Effective September 1, 2011, HDS offers enhanced benefits which include a second fluoride benefit through age 17 and a revised implant benefit that does not require the implant to be between two natural teeth.

V. Notification of a Disabled Child

Effective January 1, 2011, in accordance with the Patient Protection and Affordable Care Act, the age requirement of when to notify the Trust of a disabled child changed from age 19 to age 26. The third paragraph on page 19 of the Summary Plan Description dated May 2007 for Actives is revised as follows:

A dependent child who, upon attaining **age 26**, has a mental or physical disability which was incurred prior to age 19 and which renders the child incapable of self-support, will continue to be covered for benefits as long as such child remains unmarried, disabled and incapable of self-support, provided that the child was covered under the plan prior to age 19. You must, however, submit satisfactory proof to the Trust of his or her incapacity upon attaining **age 26** and when requested periodically thereafter. A disabled dependent child of a newly hired employee who was covered under the employee's plan immediately preceding coverage under the Trust will be covered for benefits so long as such child remains unmarried, disabled and incapable of self-support provided satisfactory proof of prior coverage is submitted to the Trust within 30 days of eligibility. Coverage for such child shall terminate upon the earliest of the following: 1) the child's marriage, 2) the child becoming capable of self-support, 3) failure to provide proof of continued disability when requested, or 4) termination of your eligibility.

Should you have any questions on the above changes or need assistance with your coverage, please contact the Trust Funds Satellite Office at 842-0392 or 523-0199. Neighbor islands, call toll free at (866) 772-8989.