

Northwest Ironworkers Trust Funds

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Administered by
Welfare & Pension Administration Service, Inc.

Date: December 2, 2009

**To: All Active and Retired Participants enrolled in Group Health
Northwest Ironworkers Health and Security Fund**

Re: Termination of Group Health and New Preauthorization/Utilization Reviewer

The following changes are effective January 1, 2010.

This notice explains that Group Health coverage will no longer be available under the plan, instead your coverage will be available through the Comprehensive Medical plan.

*A new Preauthorization and Utilization Reviewer has been hired.
Inpatient hospital services and inpatient and outpatient chemical dependency
treatment must be pre-authorized.*

Please be sure you and your dependents read this notice carefully in order to understand the changes.

Termination of Group Health Coverage

EFFECTIVE JANUARY 1, 2010 THE GROUP HEALTH PLAN OPTION WILL NO LONGER BE OFFERED BY THE NORTHWEST IRONWORKERS HEALTH AND SECURITY FUND. AS OF THAT DATE, YOU AND YOUR ELIGIBLE DEPENDENTS WILL BE AUTOMATICALLY ENROLLED IN THE SELF-FUNDED COMPREHENSIVE MEDICAL BENEFITS PROGRAM.

The benefits provided through the Comprehensive Medical Benefits Program are described in the Summary Plan Description (SPD) and any subsequent material modifications to the SPD. Enclosed for your reference is a summary outlining the benefits and a copy of the current SPD.

New identification (ID) cards will be mailed to you later this month. The cards will reflect the change in your coverage to the Comprehensive Medical Benefits Program. The ID card is a combination medical and prescription drug card that utilizes a generic identification number instead of your social security number, to help protect your private information. The card should be shown to your doctor(s), hospital(s) and pharmacy for services received and prescriptions purchased on and after January 1, 2010. You should destroy any old medical and prescription drug ID cards.

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Preferred Provider Network For Comprehensive Medical Benefits Program

The Trust utilizes the Premera Blue Cross network of physicians and hospitals. Please note that you will not be affected by this change *until January 1, 2010*, when your coverage transfers from Group Health to the Comprehensive Medical Benefits Program.

Once your coverage is transferred, you must use a hospital, physician, or other healthcare provider that participates in the BCBS Network if you want the lowest out-of-pocket cost. In most cases, you may receive care from an out-of-network provider; however, your out-of-pocket expenses may be higher because the provider's charges will not be discounted by Premera and the percentage of covered expenses paid by the Plan will be less.

To locate a health care provider in the BCBS/BlueCard program, follow these instructions:

- Online at www.premera.com, click on "Find A Doctor" then select "Heritage & Heritage Plus 1" from the medical plan drop-down menu under "Washington Networks".
- By phone, call the BlueCard Provider Locator number directly at **1-800-810-BLUE (2583)**.
- To request a hard copy of a provider directory, you should call (800) 810-BLUE (2583) or request a copy from your Local Union Office.

Preauthorization, Utilization Review and Case Management Services

Please note that Preauthorization, Utilization Review and Case Management Services will be provided by Qualis Health. When your physician recommends admission to the hospital, you or your representative, or your physician must contact the Plan's Utilization Review (UR) Coordinator for authorization. All inpatient and outpatient chemical dependency treatment must also be preauthorized. **For all hospital admissions and chemical dependency treatment, except for emergencies, you must obtain authorization from the UR Coordinator *prior to* admission.**

IMPORTANT: Benefits are reduced for any hospital confinement that is not authorized by the UR Coordinator. The 24-hour UR Coordinator authorization number is: (800) 783-8606. Preauthorization information will also be reflected on your new Medical/Rx ID card that will be mailed to you later this month.

Prescription Drug Benefits

Prescription drug benefits will be provided through Walgreens Health Initiatives (WHI). The program has two parts: Retail Pharmacy benefits at participating pharmacies and Mail Service Pharmacy benefits. Enclosed is an explanation of these benefits, a partial list of participating pharmacy and a mail service order form.

IMPORTANT NOTE: Your current Prescription Drug program through Group Health is valid only through **December 31, 2009**. If you currently have prescriptions with refills through Group Health, those prescriptions **will not** be transferred to WHI. Please call your current provider(s) office as soon as possible to request a new prescription(s).

Remember that effective January 1, 2010, using a provider in the Premera Blue Cross Network will help reduce Trust expenses and your out-of-pocket costs. Questions regarding this Plan change should be directed to the Administration Office at (206) 441-7226 or (866) 986-1515, option 1.

Please note COBRA participants and retirees must pay the required contribution each month. Your contribution rate is based on Medicare eligibility, plan choice, and coverage for your dependents. Refer to the enclosed Self-Pay Rates for the cost of coverage. Should you have questions regarding your contribution rate, contact Darlene Sweet-Gugel at (206) 441-7226 or (866) 986-1515, extension 3304.

Sincerely,

**Board of Trustees
Northwest Ironworkers Health and Security Fund**

In accordance with ERISA reporting requirements this document will serve as your Summary of Material Modifications to the Plan and we are advising you of these Plan changes within 60 days of the adoption of those changes.

Enclosures

NORTHWEST IRONWORKERS HEALTH AND SECURITY FUND
Summary of Benefits

COMPREHENSIVE HEALTH PLAN BENEFITS (Active Employees, Retirees and Their Dependents)		
PLAN MAXIMUM	\$1,000,000 per Individual.	
DEDUCTIBLE	\$250 per person in covered expenses per calendar year. \$500 per family in covered expenses per calendar year.	
COINSURANCE Hospital - All hospitalization is subject to precertification except for emergency and maternity stays less than 48 hours (or 96 hours as applicable). Physician Office Visits (excludes physical examinations – see separate benefit below) Diagnostic Lab and X-ray Services Medical-Surgical - Includes surgeon, assistant surgeon, obstetrics, ambulance, nurses, physiotherapy, radium, blood, plasma, oxygen, rental of equipment, artificial durable devices, hospice, home health care, emergency room, anesthesia, preventive care, out-patient hospital services.	Preferred Provider	Non-Preferred Provider
	80% of covered expenses up to coinsurance limit, then 100%	60% of covered expenses up to coinsurance limit, then 100%
	\$20 copayment	60% of covered expenses up to coinsurance limit, then 100%
	80% OR 100% if done in conjunction with office visit that a co-pay applied to	60% of covered expenses up to coinsurance limit, then 100%
	80% of covered expenses up to coinsurance limit, then 100%	60% of covered expenses up to coinsurance limit, then 100%
COINSURANCE LIMIT	\$20,000 per calendar year, per individual	
SUPPLEMENTAL ACCIDENT	Up to \$300 within 90 days of the accident.	
PRESCRIPTION DRUG Retail Pharmacy Network Prescription Drugs (30 day supply) Mail Order Prescription Drugs (90 day supply) Specialty Drugs (30 day supply)	Copoly Penalty - If brand-name drug purchased, when generic drug equivalent available, pay brand-name drug copay plus difference in price between generic drug and brand-name drug 20% copayment per prescription (minimum \$5, maximum \$50) \$20 copayment for brand name, \$5 copay for generic drugs. \$20 copayment (\$5 minimum, \$50 maximum)	
HEARING AID (Not subject to deductible)	80% of UCR expenses, up to \$2,000 in a 3 consecutive-year period for an exam and hearing aid.	

NORTHWEST IRONWORKERS HEALTH AND SECURITY FUND

Summary of Benefits

COMPREHENSIVE HEALTH PLAN BENEFITS (Active Employees, Retirees and Their Dependents)		
COMPLEMENTARY AND ALTERNATIVE MEDICINE - Includes chiropractic care, naturopathic care and acupuncture treatment	Preferred Provider	Non-Preferred Provider
	\$20 copayment	60% of covered expenses
	Up to \$1,500 calendar year maximum for all services combined	
MENTAL HEALTH	Preferred Provider	Non-Preferred Provider
	80% of covered expenses up to coinsurance limit, then 100%	60% of covered expenses up to coinsurance limit, then 100%
	80% of covered expenses up to coinsurance limit, then 100%	60% of covered expenses up to coinsurance limit, then 100%
CHEMICAL DEPENDENCY (lifetime maximum \$12,000 per individual)	Preferred Provider	Non-Preferred Provider
	\$500	\$500
	\$5,000 (\$10,000 for adolescents)	\$5,000 (\$10,000 for adolescents)
PHYSICAL EXAMINATION (For Active Employees and Retirees Only)	100%	50%
	65%	50%
	\$5,000 (\$10,000 for adolescents)	\$5,000 (\$10,000 for adolescents)
PREVENTIVE PROGRAM (Dependent Spouse & Children)	90%	50%
	65%	50%
	Subject to Deductible	Subject to Deductible
Well child: exams and all immunizations, newborn to age 2	80%	60%
Pre-school thru elementary: immunizations & associated office visit	80%	60%
Well Women: gynecological exam, pap test and mammogram	80%	60%

Northwest Ironworkers Health & Security Trust

Your Cost

When your covered prescriptions are filled under this program, you share a portion of the cost; the plan pays for the rest. Your costs for the program are as follows:

Retail Pharmacy (short-term medications):

Up to 30-day supply Generic: 20% of drug cost
 Brand: 20% of drug cost
 \$5 Minimum - \$50 Maximum

Mail Service (long-term medications):

Up to 90-day supply Generic: \$5.00
 Brand: \$20.00

A key feature of your prescription program is to manage care by managing costs. One of the most important ways you can help manage costs is by requesting generic equivalents instead of brand-name drugs whenever possible.

A "generic" drug is simply the chemical name of a brand-name drug. Once the patent expires on a brand-name drug, a "generic equivalent" may be produced. Many brand-name prescriptions have a less expensive generic equivalent available. Guidelines have been set up by the Food and Drug Administration (FDA) to help ensure that generic drugs meet the same standards for safety and effectiveness as their brand-name equivalents.

It is standard pharmacy practice (and in some states, it is even required by law) to substitute generic equivalents for brand-name drugs whenever possible.

When you use the mail service or a participating retail pharmacy, you will receive generic substitutes whenever available and allowable.

Under your benefit plan, whenever a brand-name drug is dispensed when a generic substitute is available and allowable, **you will be responsible for the brand copayment plus the difference between the brand and generic price of each drug.**

Covered Drugs

- Federal legend drugs (that is, drugs that federal law prohibits dispensing without a prescription)
- DESI medications
- Disposable insulin syringes/needles
- Insulin

Drugs Not Covered

- Anti-obesity (weight reduction)
- Fertility drugs
- Hair loss treatments (for example, Minoxidil, Propecia®)
- Over-the-counter (OTC) items

This is a *partial* listing of covered and non-covered drugs. Certain prescriptions may require physician confirmation of medical necessity. Please refer to your plan document for details. For specific drug inquiries, contact the WHI Customer Care Center at 1-800-207-2568.

Please refer to your Summary Plan Description for a complete list of items not covered under your plan.

Participating Pharmacies

You can choose from more than 50,000 participating pharmacies. Below are just some of the many pharmacies participating in our nationwide retail network. For additional participating pharmacies, call the WHI Customer Care Center at 1-800-207-2568 or visit our web site at www.mywhi.com.

Acme	Pay Less Super Markets
Albertsons	Publix
Brooks Pharmacy	Randalls
Costco	Rite Aid
Duane Reade	Safeway
Eckerd	Sam's Club
Fred Meyer	Sav-on Drugs
Fred's	ShopKo
Fry's Food & Drug Stores	ShopRite
Hy-Vee Stores	Smith's Food & Drug Stores
Kerr Drug	Stop & Shop
Kmart	Target
Kroger	Thrifty Drug
Longs Drugs	United Supermarkets
Medicap Pharmacy	USA Drug / Super D
Meijer	Walgreens
Osco Drug	Wal-Mart
Pathmark	Winn-Dixie