

# NEW YORK DISTRICT COUNCIL OF CARPENTERS

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## BENEFIT FUNDS

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February 2005

### New York City District Council of Carpenters Welfare Fund 2004 Summary of Material Modification

This Summary of Material Modification (SMM) describes changes to the information in your New York City District Council of Carpenters Welfare Fund Summary Plan Description (SPD) that summarizes the benefits of your Welfare Fund as of April 1, 2003. Please remember to keep all SMMs with your SPD. You may want to mark your SPD on the pages where this SMM has modified it. The page references below refer to the SPD. You may also find an electronic copy of this SMM and the SPD at [www.nyccbf.org](http://www.nyccbf.org).

Please call the Fund Office at (800) 529-3863 if there are any questions.

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#### **Eligibility for Retirees**

##### **Page 6**

The following paragraph is added to the end of this section.

Retirees residing abroad. The plan does not provide medical, prescription drug, dental or vision coverage to retirees residing outside the United States.

#### **Hospital and Medical Benefits**

##### **Page 16**

The following sentence is added to the end of the third paragraph on this page:

The plan does not provide coverage for retirees residing outside the United States.

#### **Prescription Drug Program**

##### **Page 61**

The following paragraph is added to the end of this section:

##### Retirees Residing Abroad

The Plan does not provide prescription drug coverage for retirees residing outside the United States.

(continued on next page)

**New York City District Council of Carpenters Welfare Fund**  
**2004 Summary of Material Modification**  
**page 2**

**Dental Coverage**

**Page 62**

The following sentence is added to the end of the third paragraph on this page:

The plan does not provide dental coverage for retirees residing outside the United States.

**Vision Benefits**

**Page 72**

The following sentence is added to the end of the second paragraph on this page:

The plan does not provide vision coverage for retirees residing outside the United States.

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This SMM describes the changes that affect your welfare benefit plans and updates your plan descriptions. SMMs together with the SPD make up your official plan descriptions; please keep them together and refer to them as necessary. We have made every attempt to insure the accuracy of the information in this SMM and the SPD. However, if there is any discrepancy between them and the insurance contracts or other legal documents, the legal documents will always govern.

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### Summary of Material Reductions to the New York City District Council of Carpenters Welfare Fund

***This notice contains important information  
concerning your Welfare Fund benefits.***

**DATE: June 1, 2006**

**TO: All active participants of the New York City District Council of Carpenters  
Welfare Fund and their covered dependents  
All covered retirees and their covered dependents  
All covered surviving dependents  
All COBRA participants**

**FROM: Board of Trustees of the New York City District Council of Carpenters Welfare Fund**

*This Summary of Material Reductions (SMR) describes changes to your benefits under the New York City District Council of Carpenters Welfare Fund (the "Welfare Fund") recently adopted by the Welfare Fund's Board of Trustees (the "Trustees"). This SMR only describes recent changes to your benefits under the Welfare Fund, you must read this SMR together with your April 1, 2003 Summary Plan Description (SPD) for a full description of the terms and conditions governing your eligibility for benefits under the Welfare Fund. Please retain this SMR with your SPD. You may want to mark your SPD on the pages where this SMR has modified the SPD. The page references below refer to the April 1, 2003 SPD.*

*If you have any questions regarding this SMR or the Welfare Fund, or if you need another copy of the SPD, please call the Fund Office at (800) 529-3863 or write the Fund Office at New York City District Council of Carpenters Welfare Fund; 395 Hudson Street, New York, NY 10014.*

- A. NEW RETIREE ELIGIBILITY RULES: EFFECTIVE FOR PARTICIPANTS  
RETIRING ON OR AFTER AUGUST 1, 2006.** The following sub-section describes changes to the eligibility rules governing when a participant may receive retiree coverage. The sub-section is effective for participants retiring on or after August 1, 2006, even if a participant is eligible to retire before August 1, 2006, but delays his/her retirement until August 1, 2006 or later.

**Retirements that are effective on July 1, 2006 will use the current rules to determine eligibility for Retiree Health coverage. Please note, in order for you to retire effective July 1, 2006, your pension application must be received at the Fund Office no later than June 30, 2006.**

(The following sub-sections will replace the sub-sections entitled "Eligibility for Retirees" and "Disability Pensioners," of the SPD.)

When you retire, any remaining hours in your bank are used to continue your coverage as an Active Employee. In order for Welfare Fund coverage to continue after your bank hours are used, you must qualify for Retiree health coverage.

You do not "bank" hours if you work in Covered Employment while you are retired. Therefore, you will not re-qualify for coverage as an Active Employee once you are eligible as a Retiree, even if you work 250 hours in Covered Employment.

In order to be eligible for Health and Welfare Coverage as a Retiree, your employer or employers must have contributed to the Fund for you as an Active Employee, and you must satisfy one of the three requirements below:

- You are at least 55 years old, and have earned at least 30 Vesting Credits with the New York City District Council of Carpenters Pension Fund (the "Pension Fund"). In general, you earn one Vesting Credit for each calendar year in which you work 870 hours or more in Covered Employment;
- You are at least 55 years old, have earned at least 20 Vesting Credits under the Pension Fund and, during the 60-month period immediately preceding the effective date of your pension, you are eligible as an Active Employee for at least 24 months; or
- You are at least 55 years old, have 25 years with at least 250 hours worked in Covered Employment, have earned at least 15 Vesting Credits under the Pension Fund and during the 60-month period immediately preceding the effective date of your pension, you are eligible as an Active Employee for at least 24 months.

**Return to work.** If you return to Covered Employment and your pension is suspended, your Retiree health coverage will continue for up to six months as long as you work at least 40 hours in each month. (Note that a special rule for disability pensions is discussed in the following section.)

### **Disability Pensioners**

A Disability Pensioner who is an eligible Active Employee when disability commences will continue to be covered as described in the section entitled, "Continued Eligibility During Periods of Disability." (Please refer to the subsection called "Continuation of Coverage during Total Disability.")

If you are not eligible for Welfare Fund coverage as an Active Employee when disability commences, you will be eligible for Retiree health coverage as a Disability Pensioner provided that you satisfy one of the three rules in the preceding "Eligibility for Retirees" section, except for the age requirements.

Disability Pensioners who are eligible for, and in receipt of, a Social Security Disability Award should review the section entitled "Medicare" in the SPD.

- B. NEW IN-NETWORK HOSPITAL/MEDICAL COPAYMENTS: EFFECTIVE AS OF AUGUST 1, 2006.** New in-network copayments will be in effect for Active Employees, Retirees and dependents who are eligible for the hospital/medical benefits program administered by Empire BlueCross BlueShield. The new copayments do not apply to Retirees and dependents of Retirees who have Medicare as their primary source of coverage. The information that follows replaces information in the chart entitled "Hospital and Medical Benefits for Active Employees and their Dependents" and the chart entitled "Hospital and Medical Benefits for Retirees Who Are Not Medicare Eligible and Non-Medicare Eligible Dependents of Retirees and their Dependents" of the SPD.

1. ***New Copayment Amount for Certain In-Network Office Visits.*** For certain In-Network office visits, effective as of August 1, 2006, the new copay amount is \$20 per visit. The \$20 copay is applicable for services an individual receives in the offices of the following in-network practitioners:
  - Primary Care Physician,
  - Obstetricians,
  - Gynecologists,
  - Certified nurse midwives,
  - Chiropractors, and
  - Physical therapists.
2. ***New Copayment Amount for In-Network Specialist Visits.*** For In-Network Specialist visits, the new copay amount is \$25 per visit. The \$25 copay will apply for all in-network doctors not listed above when a copay is required.
3. ***New Copayment Amount for Services Received in Outpatient Facilities.*** For services received in an in-network, outpatient facility for physical, speech, language, occupational and vision therapies, and for cardiac rehabilitation, the new copay amount is \$25 per visit.
4. ***New Copayment Amount for Emergency Care.*** For In-Network or Out-of-Network Emergency Room Visits, the new copay is \$50 per visit.

Additional details about the new in-network hospital/medical co-pay amounts and new Empire BlueCross BlueShield identification cards, reflecting these changes, will be mailed to you prior to August 1, 2006.

- C. CHANGES TO PRESCRIPTION DRUG BENEFITS FOR ACTIVE AND RETIRED PARTICIPANTS AND THEIR DEPENDENTS: EFFECTIVE AS OF SEPTEMBER 1, 2006.** (This section revises the information in the section entitled "Prescription Drug Program," as described below.)

1. The Trustees have changed the Welfare Fund's prescription benefits manager from Caremark to MEDCO. Thus, prescription drug benefits will be administered by MEDCO. **Your new prescription cards along with more detailed information about these changes will be mailed to you at a later date. These new cards are effective September 1, 2006. You can continue to use your old cards through August 31, 2006.**

2. New copayment amounts for prescriptions filled at a retail pharmacy (up to a 34 day supply):

	Co-Pay Per Prescription
Generic	\$10
Preferred Brand Name Prescriptions	\$20
Non-Preferred Brand Name Prescriptions	\$35

*\* A Preferred Brand Name Prescription refers to a medication which is "Preferred" under the Welfare Fund. As described above and below, a higher copay will be required for a medication which is considered "Non-Preferred." For example, Lipitor, Zocor and Pravachol all treat cholesterol. However, one or more of these drugs may be considered "Non-Preferred" under the Welfare Fund, and you will be required to pay a higher co-pay (as described above and below) for a prescription of the drug. You can begin calling MEDCO directly at 1-800-939-2091 on September 1, 2006 to find out if a drug that you are taking is considered "Preferred." You can also visit MEDCO's website at [www.medco.com](http://www.medco.com)*

3. New copayment amounts for prescriptions filled through the Welfare Fund's mail order program with Medco (up to a 90 day supply):

	Co-Pay Per Prescription
Generic	\$20
Preferred Brand Name Prescriptions	\$40
Non-Preferred Brand Name Prescriptions	\$70

**Using the mail order program saves you money because for the value of two retail copayments you get three months of drugs.**

4. **If you are taking a "maintenance" drug you must use the mail order program under certain circumstances.** After your second refill of a maintenance drug prescription, you may not fill the prescription through a retail pharmacy, but must use the mail order program to fill the prescription. Maintenance drugs generally include drugs which treat chronic conditions such as high blood pressure or diabetes. **You can begin calling MEDCO directly at 1-800-939-2091 on September 1, 2006 to find out if a drug that you are taking is considered a maintenance prescription drug. You can also visit MEDCO's website at [www.medco.com](http://www.medco.com)**

Additional details and new prescription drug identification cards will be sent to you in future mailings prior to September 1, 2006.

## SUMMARY OF NEW COPAYMENTS:

### A. Co-Payments for In-Network Hospital/Medical Services:

Effective August 1, 2006

These new In-Network Hospital/Medical Co-pays do not apply to Retirees and dependents of Retirees who have Medicare as their primary source of coverage.)

Charge	Co-Pay Per Visit
In-Network Office Primary Care	\$20
In-Network Office Specialist Visits	\$25
Services Received in Outpatient Facilities	\$25
Emergency Care	\$50

### B. Co-Payments for Prescriptions Filled at a Retail Pharmacy (up to a 34-day supply):

Effective September 1, 2006

Charge	Co-Pay Per Prescription
Generic	\$10
Preferred Brand Name Prescriptions	\$20
Non-Preferred Brand Name Prescriptions	\$35

### C. Co-payments for Prescriptions Filled through the Welfare Fund's mail order program with MEDCO (up to a 90-day supply):

Effective September 1, 2006

Charge	Co-Pay Per Prescription
Generic	\$20
Preferred Brand Name Prescriptions	\$40
Non-Preferred Brand Name Prescriptions	\$70

Again, please retain this SMR with your SPD. The two documents should be read together for an accurate description of your current Welfare Fund benefits. For ease of your review, the following page summarizes the new copayments, and their effective dates. If you have any questions, please contact the Fund office at 1-800-529-3863.

**ERISA Information**

**Plan Sponsor:** Board of Trustees of the New York City District Council of Carpenters Welfare Fund

**Address:** New York City District Council of Carpenters Welfare Fund, 395 Hudson Street  
New York, NY 10014. Telephone: (212) 366-7300 or (800) 529-3863.

Sponsor's EIN Number: 13-5615576

Plan Number: 501

**Plan Year:** July 1 to June 30

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## IMPORTANT NOTICE

### Change to the New York City District Council of Carpenters Welfare Fund Summary of Material Reductions dated June 1, 2006

**DATE:** June 20, 2006

**TO:** All participants with at least 15 Vesting Credits in the New York City District Council of Carpenters Pension Fund who are or will be 55 years of age before August 1, 2006

**FROM:** Board of Trustees of the New York City District Council of Carpenters Welfare Fund

The Summary of Material Reductions (SMR) dated June 1, 2006 describes changes to the Retiree eligibility rules that were to become effective for participants retiring on and after August 1, 2006. In an effort to provide participants who may be currently eligible to retire with additional time to consider such a life-event decision, **the Board of Trustees has changed the effective date of the new Retiree eligibility rule so that it is effective for participants retiring on and after September 1, 2006.**

Retirements that are effective on July 1, 2006 and retirements that are effective on August 1, 2006 will use the current rules to determine eligibility for Retiree Health coverage.

In order to secure a retirement effective date before September 1, 2006, your application for pension must be received at the Fund office before August 1, 2006.

If you have any questions regarding this notice, or if you need another copy of the SMR or the Summary Plan Description, please call the Fund Office at (800) 529-3863 or write to the Fund office at:

New York City District Council of Carpenters Welfare Fund  
395 Hudson Street  
New York, NY 10014.

You can also review these documents by visiting our website at [www.nyccbf.com](http://www.nyccbf.com)



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**TO:** *All participants and dependents eligible for Prescription Drug Benefits*

**FROM:** *Trustees of the New York City District Council of Carpenters Welfare Fund*

**SUBJECT:** *Changes to Prescription Drug Coverage*

**DATE:** *May 3, 2007*

*Please review this entire notice carefully and share it with your family. It is a summary of material modifications to the New York City District Council of Carpenters Welfare Fund (the "Welfare Fund"). It describes changes to the prescription drug coverage provided by the Welfare Fund and updates the Summary Plan Description (employee booklet) that was previously distributed to you. You should keep this summary with your current employee booklet until the booklet is updated to reflect the changes discussed herein.*

*The changes described in Sections A and B below apply to all participants (i.e. actives and retirees) and dependents eligible for prescription drug benefits, and becomes effective on May 1, 2007. These changes form the basis of a clinical management program.*

**A. Preauthorization for Prescription Drugs** - Effective May 1, 2007, you must obtain preauthorization from Medco in order to obtain coverage for certain prescription drugs. You can find the list of prescription drugs that require preauthorization on the table called "**Prescription Drugs that Require Preauthorization**" at the end of this notice. Generic forms of the prescription drugs listed also require preauthorization.

Your physician must call Medco at 1-800-753-2851 to initiate the preauthorization process for any of the prescription drugs listed.

Many of the prescription drugs that require preauthorization are considered "specialty medications". On the list of "**Prescription Drugs that Require Preauthorization**", an asterisk (\*) following the name of a medication means that the prescription drug is considered a specialty medication. Specialty medications are used to treat complex medical conditions such as anemia, hepatitis C, multiple sclerosis, asthma, growth hormone deficiency and rheumatoid arthritis. Specialty medications are costly, have special storage requirements and often require specialized patient training and coordination of care.

You must obtain all specialty medications through Medco's specialty care pharmacy, Accredited Health Group. To reach Medco's specialty care pharmacy, you may call 1-800-803-2523. You can also provide your physician with your 12-digit Medco member identification number and ask him or her to call 1-800-987-4904.

Please be aware that both the list of ***“Prescription Drugs that Require Preauthorization”*** and those prescription drugs considered specialty medications are subject to change.

***B. Coverage Limitations*** – For most prescription drugs, the Welfare Fund provides coverage in quantities up to a 34-day supply at retail pharmacies and up to a 90-day supply at the mail-order pharmacy. Effective May 1, 2007, however, coverage for certain prescription drug categories will have quantity limits and be subject to specific coverage requirements. If you choose to fill a prescription for more than the quantity limit or do not meet the specific coverage requirements, you will be responsible for the cost of the additional medication.

The prescription drug categories subject to separate quantity limitations and coverage requirements are listed in the table at the end of this notice called ***“Prescription Drugs with Quantity Limitations and Coverage Requirements”***. Generic forms of the prescription drugs listed are also subject to the same quantity limitations and coverage requirements.

These quantity limitations and coverage requirements are based upon United States Food and Drug Administration (the “FDA”) approved prescribing and safety information, clinical guidelines, and uses that are considered reasonable, safe, and effective.

If special circumstances exist, your physician may request a review for additional coverage. As part of this review, your physician will be required to provide Medco with information supporting your need for additional coverage. Your physician can request a coverage review by calling Medco at 1-800-753-2851. Coverage reviews are available for all of the prescription drugs listed except where indicated on the ***“Prescription Drugs with Quantity Limitations and Coverage Requirements”*** table.

***The change described in Section C below applies to all participants (i.e., actives and retirees) and dependents eligible for prescription drug benefits and is effective on June 1, 2007.***

***C. Additional Co-Payment for Brand-name Drugs with Generic Equivalents*** –Generic drugs are generally a safe, effective and less costly alternative to brand-name drugs. The FDA requires generic drugs to have the same quality, strength, purity and stability as brand-name drugs. Generic drugs save money for both you and the Welfare Fund.

Beginning June 1, 2007, when you purchase at a retail pharmacy a brand-name drug (either preferred or non-preferred) that has a generic equivalent, your co-payment will be the difference between the cost of the brand-name drug and the cost of the generic drug **plus** the usual \$10 generic drug co-payment (rather than the usual brand-name drug co-payment of \$20 for preferred brands and \$35 for non-preferred brands). Since it is likely that the cost difference between the brand name drug and the generic drug will be substantial, when you purchase at a retail pharmacy a brand-name drug that has a generic equivalent you will pay more than the usual brand-name drug co-payments. Note that this change in the cost of brand-name drugs that have generic equivalents does not apply to brand-name drugs obtained from the mail-order pharmacy (only the usual brand-name drug co-payments apply).

The co-payment for brand-name drugs with generic equivalents purchased at retail pharmacies applies regardless of whether or not your physician writes the prescription as DAW (dispense as written). If your physician believes you must take the brand-name drug, he or she can request a coverage review by calling Medco at 1-800-753-2851.

***The change described in Section D below applies only to retired participants (i.e., pensioners), surviving spouses, and individuals receiving Continuation of Coverage during Total Disability and their dependents who are eligible for prescription drug benefits provided by the Welfare Fund, and becomes effective on May 1, 2007.***

***D. Prescription Drug Out-of-Pocket Maximum for Retirees*** - Beginning May 1, 2007, the co-payments that each individual pays for covered prescription drugs will accumulate towards a \$1,250 individual (i.e., per person) out-of-pocket annual maximum (subject to the exceptions and rules set forth below). Whenever the co-payments for an individual total \$1,250 during a 12-month accumulation period, the Welfare Fund pays the full cost of all additional covered prescription drugs that the individual requires for the remainder of that same 12-month accumulation period (subject to the exceptions and rules set forth below).

The 12-month accumulation periods begin on May 1 of each year and will end on April 30 of the following year. Therefore, the first accumulation period runs from May 1, 2007 through April 30, 2008.

Accumulations toward the individual out-of-pocket maximum are re-set to \$0 on May 1 of each year (the beginning of a new 12-month accumulation period). Co-payments are not carried over from previous 12-month accumulation periods under any circumstances.

Co-payments for prescription drugs obtained from retail pharmacies, from the mail-order pharmacy and from the specialty pharmacy (discussed in Section A above) are all added together to satisfy the \$1,250 individual out-of-pocket maximum (subject to the exceptions and rules set forth below).

The following exceptions and rules apply to the individual out-of-pocket maximum:

- i. Because of the current mandatory mail-order program for maintenance prescription drugs, when an individual uses a retail pharmacy to obtain a maintenance prescription drug after that same maintenance drug has been previously filled three times at a retail pharmacy, the co-payment or any other costs for such prescription does not accumulate towards the individual out-of-pocket maximum (only the co-payments for the first three fills for such maintenance prescription drug at a retail pharmacy will apply toward the individual out-of-pocket maximum). The cost of a maintenance drug prescription after the third fill at a retail pharmacy will not be covered by the Welfare Fund even after the individual out-of-pocket maximum has been reached.
- ii. Beginning June 1, 2007 under the new rules for purchases at a retail pharmacy of brand-name drugs that have a generic equivalent (see Section C above), when an individual is required to pay a generic drug co-payment plus the difference in cost of the brand-name drug and a generic equivalent, both the generic drug co-payment and the cost differential apply towards the individual out-of-pocket maximum. Once you satisfy the individual out-of-pocket maximum, the generic drug co-payment applicable for the brand-name drug will be waived. However, you always remain responsible for the cost difference between the brand name and generic drug even if you have already satisfied the individual out-of-pocket maximum.
- iii. Co-payments for prescription drugs that an individual pays while covered as an Active employee or under COBRA Continuation Coverage do not accumulate towards the \$1,250 individual out-of-pocket maximum when an individual's status changes (for example, from Active to Retired) during a 12-month accumulation period.

***This summary only highlights the key changes made to the New York City District Council of Carpenters Welfare Fund. Summaries of material modifications together with the Summary Plan Description make up your official plan descriptions; please keep them together and refer to them as necessary. We have made every attempt to ensure the accuracy of the information in this summary and the Summary Plan Description. However, if there is any discrepancy between them and the insurance contracts or other legal documents, the legal documents will always govern. If you need a copy of the Summary Plan Description, please call the Fund Office at (800) 529-3863 or write to the Fund Office at:***

***New York City District Council of Carpenters Welfare Fund  
395 Hudson Street  
New York, NY 10014***

***The plan sponsor of the New York City District Council of Carpenters Welfare Fund reserves the right to amend or terminate the New York City District Council of Carpenters Welfare Fund, or any part of it, at any time.***

**PRESCRIPTION DRUGS THAT REQUIRE PREAUTHORIZATION**

<b>Drug Category</b>	<b>Drug Names</b>
Narcotic Analgesic	<i>Actiq®</i> <i>Fentora®</i>
Antiemetic Agents	<i>Zofran®</i> <i>Kytril®</i> <i>Anzemet®</i> <i>Cesamet®</i>
Rheumatoid Arthritis	<i>Enbrel®*</i> <i>Kineret®*</i> <i>Orencia®*</i> <i>Humira®*</i> <i>Rituxan®*</i> <i>Remicade®*</i> <i>Arava®</i>
Red Blood Cell Stimulants	<i>Procrit®*</i> <i>Epogen®*</i> <i>Aranesp®*</i>
Anti Narcoleptic Agents	<i>Provigil®</i>
Platelet Stimulants	<i>Neulasta®*</i> <i>Neumega®*</i> <i>Neupogen®*</i> <i>Leukine®*</i>
Interferons	<i>Actimmune®*</i> <i>Alferon-N®*</i> <i>Infergon®*</i> <i>Intron-A®*</i> <i>Pegasys®*</i> <i>Peg-Intron®*</i> <i>Rebetron®*</i> <i>Roferon®*</i>
Immunomodulatory Agents	<i>Thalomid®*</i> <i>Revlimid®*</i>

\* specialty medication

**PRESCRIPTION DRUGS WITH QUANTITY LIMITATIONS AND COVERAGE REQUIREMENTS**

<b>Drug Category</b>	<b>Drug Names</b>	<b>Quantity Limitation or Coverage Requirement</b>
Migraine Therapy	<i>Amerge®</i> <i>Axert®</i> <i>Frova®</i> <i>Imitrex®</i> <i>Maxalt®, Maxalt-MLT®</i> <i>Migranal®</i> <i>Zomig®, Zomig ZMT®</i> <i>Relpax®</i>	Retail – up to 4 treatment days per 30-day period Mail – up to 12 treatment days per 90-day period
Hypnotic Agents	<i>Ambien®, Ambien CR®</i> <i>Sonata®</i> <i>Lunesta®</i> <i>Rozerem®</i>	Retail & Mail – up to 60 days of treatment per 90-day period
COX-II Inhibitors	<i>Celebrex®</i>	Retail & Mail – coverage provided immediately if patient is over age 65 or if patient has an active prescription for any of the following: <ul style="list-style-type: none"> <li>• <i>Celebrex®</i>,</li> <li>• a non-steroidal anti-inflammatory,</li> <li>• an anticoagulant,</li> <li>• an antiplatelet, or</li> <li>• an anti-ulcer medication.</li> </ul>
Narcotic Analgesics	<i>Actiq®</i>	Retail – up to 120 units per 23-day period Mail – up to 360 units per 68-day period
	<i>Fentora®</i> 100 or 200 µg (no coverage reviews)	Retail – up to 120 units per 23-day period Mail – up to 360 units per 68-day period
	<i>Fentora®</i> 400, 600 or 800 µg	Retail – up to 240 units per 23-day period Mail – up to 720 units per 68-day period
Non-Narcotic Analgesics	<i>Ultram®</i> (no coverage reviews)	Retail & Mail – up to a 16-day Supply per 90-day period
	<i>Ultracet®</i> (no coverage reviews)	Retail & Mail – up to a 10-day supply per 90-day period

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Kevin M. O'Callaghan  
Joseph Olivieri

**TO:** *All participants and dependents eligible for Welfare Fund benefits*

**FROM:** *Trustees of the New York City District Council of Carpenters Welfare Fund*

**SUBJECT:** *Changes to Kidney Dialysis, Chiropractic and Prescription Drug Coverage*

**DATE:** *September 14, 2007*

*Please review this entire notice carefully and share it with your family. It is a summary of material modifications to the New York City District Council of Carpenters Welfare Fund (the "Welfare Fund"). It describes changes to the hospital/medical and prescription drug coverage provided by the Welfare Fund and updates the Summary Plan Description (employee booklet) that was previously distributed to you. You should keep this summary with your current employee booklet until the booklet is updated to reflect the changes discussed herein.*

*The changes described in Sections A, B and C below apply to all participants (i.e. actives and retirees) and dependents eligible for hospital/medical benefits provided by Empire BlueCross BlueShield. SECTIONS A, B AND C DO NOT APPLY TO ANY PARTICIPANT OR DEPENDENT FOR WHOM MEDICARE PROVIDES PRIMARY COVERAGE.*

### **A. Coverage for Kidney Dialysis and Chiropractic Services Limited to In-Network Providers Only**

Effective October 1, 2007, coverage for kidney dialysis and chiropractic treatment will be limited to in-network providers only. (This change does not apply if your primary coverage is through Medicare). You can find in-network providers by calling Empire BlueCross BlueShield (Empire) at 1-800-553-9603 or by visiting Empire's website at [www.empireblue.com](http://www.empireblue.com).

If you are currently receiving kidney dialysis or chiropractic treatment from an out-of-network provider, a special transitional rule will apply. The transitional rule allows individuals who are currently receiving kidney dialysis or chiropractic treatment to continue receiving out-of-network coverage for treatment rendered during the period from October 1, 2007 through December 31, 2007. Under no circumstances will out-of-network coverage be provided for any kidney dialysis or chiropractic treatment rendered after December 31, 2007.

### **B. Precertification Required for Kidney Dialysis**

Effective October 1, 2007, kidney dialysis treatment will be added to the list of services that require precertification from Empire's Medical Management Department before treatment begins. (This change does not apply if your primary coverage is through Medicare). You, your physician or the facility providing kidney dialysis treatment may call the Medical Management Department at 1-800-

553-9603. Please refer to your Summary Plan Description and previous summaries of material modifications for a full listing of the services for which you must obtain precertification.

If you do not obtain precertification before beginning kidney dialysis treatment, your benefits may be reduced or denied entirely. While your physician or the facility providing the service may call the Medical Management Department, you are ultimately responsible for any penalties that may arise if precertification is not obtained. Your physician's or the facility's verbal or written statement to you that the service has been precertified, or that precertification is not required, will not be a defense in the event it is determined that you failed to precertify.

Individuals who begin kidney dialysis treatment at an in-network facility prior to October 1, 2007 are not required to obtain precertification.

Individuals currently receiving kidney dialysis treatment with an out-of-network provider who switch to an in-network facility after September 30, 2007 are required to obtain precertification prior to changing but in no event later than December 31, 2007.

### **C. Calendar Year Visit Limitation for Chiropractic Treatment**

Effective January 1, 2008, coverage for in-network chiropractic treatment will be limited to 45 visits per calendar year. (This change does not apply if your primary coverage is through Medicare). As explained above, there is no out of-network coverage for chiropractic treatment after October 1, 2007.

Although you are covered for up to 45 in-network chiropractic visits per calendar year, your Welfare Fund benefits only cover expenses for Medically Necessary care. Services, supplies or equipment are Medically Necessary if Empire determines that they are:

- consistent with the symptoms or diagnosis, and treatment of the patient's condition, illness or injury;
- appropriate with regard to standards of good medical practice;
- not solely for the patient's, family's or provider's convenience;
- not primarily custodial; and
- the most appropriate level of service for the patient's safety.

The fact that a network provider may have prescribed, recommended or approved a service, supply or equipment does not, in itself, make it Medically Necessary.

***The change described in Section D below applies to all participants (i.e., actives and retirees) and dependents eligible for prescription drug benefits.***

### **D. Coverage Limitation for Actiq® and Fentora™**

Effective October 1, 2007, coverage for the prescription drugs Actiq® and Fentora™ will be limited to situations where these products are being prescribed for the management of breakthrough cancer pain, where the use of other oral immediate release narcotics have been tried to manage the patient's breakthrough cancer pain and where the patient is currently receiving and tolerant to a long-acting narcotic analgesic for treatment of their chronic pain.

Using the requirements above, coverage for Actiq® and Fentora™ will be determined through the preauthorization process that is already in place for these products. Your physician must call Medco at 1-800-753-2851 to initiate the preauthorization process for Actiq® and Fentora™.

Individuals who have received coverage for Actiq® and Fentora™ prior to October 1, 2007 and who are currently taking these products for conditions other than breakthrough cancer pain will continue to receive coverage until December 31, 2007. On and after January 1, 2008, the requirements above will apply to all participants.

***This summary only highlights the key changes made to the New York City District Council of Carpenters Welfare Fund. Summaries of material modifications together with the Summary Plan Description make up your official plan descriptions; please keep them together and refer to them as necessary. We have made every attempt to ensure the accuracy of the information in this summary and the Summary Plan Description. However, if there is any discrepancy between them and the insurance contracts or other legal documents, the legal documents will always govern. If you need a copy of the Summary Plan Description, please call the Fund Office at (800) 529-3863 or write to the Fund Office at:***

***New York City District Council of Carpenters Welfare Fund  
395 Hudson Street  
New York, NY 10014***

***The plan sponsor of the New York City District Council of Carpenters Welfare Fund reserves the right to amend or terminate the New York City District Council of Carpenters Welfare Fund, or any part of it, at any time.***



# NEW YORK DISTRICT COUNCIL OF CARPENTERS

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New York, N.Y. 10014  
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### SUMMARY OF MATERIAL MODIFICATIONS

**To: All Participants in the New York City District Council of Carpenters Welfare Fund**

**Re: Changes to the New York City District Council of Carpenters Welfare Plan**

**Date: January 2, 2008**

*This document is a Summary of Material Modifications ("Notice") intended to notify you of important changes made to the New York City District Council of Carpenters Welfare Plan ("the Welfare Plan"). You should take the time to read this Notice carefully and keep it with the copy of the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding these changes to the Welfare Plan, please contact the Fund Office during normal business hours at 395 Hudson Street, New York, NY 10014, telephone number (212) 366-7300.*

### IMPORTANT NOTICE

**Please read this carefully. It could affect your ability to receive retiree health benefits.**

This Notice is to notify you that, effective February 1, 2008, the requirements to be eligible for coverage under the Plan as a retiree have changed. **ANY PARTICIPANT DETERMINED TO HAVE WORKED OFF THE BOOKS IN ACCORDANCE WITH THE ADJUDICATION PROCEDURES ADOPTED BY THE NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS SHALL BE INELIGIBLE TO RECEIVE RETIREE HEALTH BENEFITS. SUCH PARTICIPANT'S BENEFICIARIES SHALL ALSO BE INELIGIBLE TO RECEIVE RETIREE HEALTH BENEFITS.** Working "off the books" is a situation in which an employer and an employee conspire such that the employer and the employee fail to report to the Welfare Plan the accurate number of hours worked by an employee. **IF IT HAS BEEN DETERMINED THAT YOU WORKED OFF THE BOOKS, YOU AND YOUR BENEFICIARIES WILL NO LONGER BE ELIGIBLE FOR ANY RETIREE HEALTH BENEFITS.**

This Notice is intended to provide you with an easy-to-understand description of certain changes to the Welfare Plan. While every effort has been made to make this description as complete and as accurate as possible, this Notice, of course, cannot contain a full restatement of the terms and provisions of the Welfare Plan. If any conflict should arise between this Notice and the Welfare Plan, or if any point is not discussed in this Notice or is only partially discussed, the terms of the Welfare Plan will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Welfare Plan, or any benefits provided under the Welfare Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Amended Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Welfare Plan, or to change any provision of the Welfare Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Welfare Plan and decide all matters arising under the Welfare Plan.

# NEW YORK DISTRICT COUNCIL OF CARPENTERS

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Joseph Olivieri

### SUMMARY OF MATERIAL MODIFICATIONS

**To: All Participants in the New York City District Council of Carpenters Welfare Fund**

**Re: Changes to the New York City District Council of Carpenters Welfare Plan**

**Date: February 11, 2008**

*This document is a Summary of Material Modifications ("Notice") intended to notify you of important changes made to the New York City District Council of Carpenters Welfare Plan ("the Welfare Plan"). You should take the time to read this Notice carefully and keep it with the copy of the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding these changes to the Welfare Plan, please contact the Fund Office during normal business hours at 395 Hudson Street, New York, NY 10014, telephone number (212) 366-7300.*

### IMPORTANT NOTICE

**Please read this carefully. It could affect your ability to receive retiree health benefits.**

This Notice is to notify you that, effective April 1, 2008, the requirements to be eligible for coverage under the Plan as a retiree have changed. **ANY PARTICIPANT, INCLUDING BUT NOT LIMITED TO A SHOP STEWARD, FOREMAN OR OWNER, WHO IS DETERMINED, IN ACCORDANCE WITH THE ADJUDICATION PROCEDURES ADOPTED BY THE NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS, TO HAVE DEFRAUDED THE FUND OR AIDED AND ABETTED ANOTHER TO DEFRAUD THE FUND, SHALL BE INELIGIBLE TO RECEIVE RETIREE HEALTH BENEFITS. SUCH PARTICIPANT'S BENEFICIARIES SHALL ALSO BE INELIGIBLE TO RECEIVE RETIREE HEALTH BENEFITS. PARTICIPANTS HAVE THE RIGHT TO APPEAL A DENIAL OF BENEFITS IN ACCORDANCE WITH THE WELFARE PLAN APPEAL PROCESS.**

This Notice is intended to provide you with an easy-to-understand description of certain changes to the Welfare Plan. While every effort has been made to make this description as complete and as accurate as possible, this Notice, of course, cannot contain a full restatement of the terms and provisions of the Welfare Plan. If any conflict should arise between this Notice and the Welfare Plan, or if any point is not discussed in this Notice or is only partially discussed, the terms of the Welfare Plan will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Welfare Plan, or any benefits provided under the Welfare Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Amended Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Welfare Plan, or to change any provision of the Welfare Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Welfare Plan and decide all matters arising under the Welfare Plan.

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Joseph Olivieri

### SUMMARY OF MATERIAL MODIFICATIONS

**TO: All Participants and Dependents Eligible for Welfare Fund Dental Benefits**

**FROM: Trustees of the New York City District Council of Carpenters Welfare Fund**

**SUBJECT: New Dental Program Effective July 1, 2008**

**DATE: April 15, 2008**

*This document is a Summary of Material Modifications ("Notice") intended to notify you of important changes made to the New York City District Council of Carpenters Welfare Plan (the "Welfare Plan"). You should take the time to read this Notice carefully and keep it with the copy of the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding these changes to the Welfare Plan, please contact the Fund Office during normal business hours at 395 Hudson Street, New York, NY 10014, telephone number (800) 529-3863.*

### IMPORTANT NOTICE ABOUT YOUR DENTAL BENEFITS

The New York City District Council of Carpenters Welfare Fund's dental benefits program provides you with the option of going to any dentist or going to a participating or in-network dentist. You save money when you use participating or in-network dentists. Participating or in-network dentists agree to accept the Welfare Fund's Schedule of Covered Dental Allowances as payment-in-full for covered services. When you use a participating or an in-network dentist, your out-of-pocket expense for covered services, subject to Plan maximums and frequency limitations, is limited to the amount applied towards your \$100 calendar year individual deductible. Many diagnostic and preventive services that are not subject to the deductible are covered in full by the Welfare Fund.

If you choose to go or if you must go to a non-participating or an out-of-network dentist, you or your dentist will be reimbursed according to the Plan's Schedule of Covered Dental Allowances. The charges of non-participating or out-of-network dentists may be higher than the Plan's

scheduled allowances. You are responsible for any difference between the amount your dentist charges and the amount the Plan pays.

### Choose Your Own Network of Participating Dentists

Prior to July 1, 2008, the Welfare Fund only offered one dental administrator (ASO/SIDS). Beginning July 1, 2008, the Welfare Fund will offer three different dental administrators for you to choose from. Each administrator manages its own network of participating or in-network dentists. You get to choose the network of participating dentists that best suits you and your family. Each administrator's participating dentists agree to accept the Welfare Fund's Schedule of Covered Dental Allowances as payment in full for covered services.

During April and May 2008, all participants eligible for dental coverage from the Welfare Fund at any time during the first half of calendar year 2008 are being given the opportunity to select any one of the three dental benefits administrators listed below:

#### **HEALTHPLEX**

#### **SELE-DENT, INC.**

#### **ASO/SIDS**

After July 1, 2008, you must send all of your dental claims, whether old or new, to the administrator you have chosen. In order for dental expenses incurred on and after July 1, 2008 to be considered in-network, you must use a dentist or dentists that participate with or are in-network with the administrator you have selected.

### Selecting a Dental Administrator

Review the booklet prepared by each of the three dental administrators. The booklet provides general information about the administrator and how it conducts its business. Most importantly, each booklet includes the administrator's list of participating dentists and specialists. You may want to check each list for your or for your family's dentist. If you do not have a family dentist, you may want to determine if the administrator has dentists or specialists near where you live.

Additional information may also be available on the administrator's web site. You can find an administrator's web site address in its booklet.

Each administrator will use the Welfare Fund's current Schedule of Covered Dental Allowances to pay claims. Dental benefits are the same regardless of which of the three administrators you select. The individual calendar year deductible, the annual dental benefit maximums, the frequency limitations and the covered dental services are the same for all three administrators. All three administrators will also process your claims for services that are provided by non-participating or out-of-network dentists. You will not receive a greater level of benefits by choosing one dental administrator over another.

The Fund office will not accept more than one Dental PPO Election Form from the same household. The administrator you select applies both to you and to all of your eligible

dependents. For example, you may not select one administrator for you and your spouse and a different administrator for your eligible dependent children. Therefore, it is very important for both you and your family to consider and make your selection carefully.

#### Informing the Welfare Fund of Your Selection

The last page of this Notice is labeled New York City District Council of Carpenters Welfare Fund Dental PPO Election Form. Each dental benefits administrator is listed on the form. Check or mark the box next to the dental administrator you are selecting and return the Election Form no later than June 1, 2008.

Please be sure to print your name and social security number or, if applicable, your UBC number in the spaces provided. You must also sign and date the election form where indicated. Return your completed Dental PPO Election form in the pre-addressed, postage paid envelope that is part of this package.

**If you were eligible for dental benefits from the Welfare Fund at any time during the period from January 1, 2008 to June 30, 2008, the Fund office must receive your completed election form by June 1, 2008.** If you do not return your completed election form to the Fund office by June 1, 2008, the processing of your dental claims may be delayed. In the event a participant eligible for dental benefits during the first half of calendar year 2008 does not return the election form to the Fund Office by June 1, 2008, the participant and all of the participant's eligible dependents will remain with the Welfare Fund's current administrator, ASO/SIDS, for the remainder of the calendar year. You may not change this assignment until the next open enrollment period.

#### Changing Dental Administrators

In general, there will be an open enrollment period during each Fall season for the following calendar year. Therefore, you will have another opportunity to select a dental administrator during Fall 2008. If you do decide to change administrators this Fall, the company you select will be your dental administrator for the period from January 1, 2009 through December 31, 2009.

If you do not select a new administrator during an open enrollment period, we will continue your dental coverage with the administrator you selected or were assigned to previously.

#### Participants Eligible For the First Time On and After July 1, 2008

Participants who were not eligible for Welfare Fund dental benefits during the period from January 1, 2008 through June 30, 2008 and who become eligible on and after July 1, 2008 must select a dental administrator before their dental coverage can be activated. This applies both to participants becoming eligible for the first time and to participants who may have been eligible prior to January 1, 2008.

The administrator selected by participants becoming eligible for the first time on and after July 1, 2008 will be that participant's dental administrator for the remainder of the calendar year. As explained in the preceding section, open enrollment will take place each Fall season for the following calendar year.

#### If You Have Questions

If you have any questions about your dental benefits or if you need another Dental PPO Election Form, please call the Fund Office at (800) 529-3863

**This Notice is intended to provide you with an easy-to-understand description of certain changes to the Welfare Plan. While every effort has been made to make this description as complete and as accurate as possible, this Notice, of course, cannot contain a full restatement of the terms and provisions of the Welfare Plan. If any conflict should arise between this Notice and the Welfare Plan, or if any point is not discussed in this Notice or is only partially discussed, the terms of the Welfare Plan will govern in all cases.**

**The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Welfare Plan, or any benefits provided under the Plan, in whole or in part, at any time for any reason, in accordance with the applicable amendment procedures established under the Plan and the Amended Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement is available at the Fund Office and may be inspected by you free of charge during normal business hours.**

**No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make promises to you about benefits under the Welfare Plan, or to change any provision of the Welfare Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Welfare Plan and decide all matters arising under the Welfare Plan.**

**NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND**

**DENTAL PPO ELECTION FORM**

**July 1, 2008 – December 31, 2008**

**Please print clearly**

**Employee/Retiree Name:**

\_\_\_\_\_  
Last

\_\_\_\_\_  
First

**Social Security Number:**

\_\_\_\_\_  
or

**UBC Number**

\_\_\_\_\_

**Dental Benefit Options** (check the company you want as your dental benefits administrator)

☐

**HEALTHPLEX**

☐

**SELE-DENT, INC.**

☐

**ASO/SIDS**

**Employee/Retiree Certification**

1. I have received, read, and understand the information explaining my Dental Benefit Options.
2. I request that the company I have elected on this form administer my Welfare Fund Dental Benefits and the Dental Benefits for all my eligible dependents.
3. I understand that by signing this form, I make a binding election concerning my Dental Benefits for the period specified above. I also understand that I will not be able to change my Dental Benefits administrator prior to the next open enrollment period.
4. I understand that if I do not submit another Dental PPO Election Form during subsequent open enrollment periods, this election will remain in effect.

**Employee/Retiree Signature:**

\_\_\_\_\_

**Date:**

\_\_\_\_\_

*Please complete, sign and return this form to the Fund Office no later than June 1, 2008 using the pre-addressed, postage paid envelope. If you do not use the pre-addressed, postage paid envelope, please return the form to: New York City District Council of Carpenters Welfare Fund, 395 Hudson Street, New York, NY 10014, Attention: Dental PPO.*



# NEW YORK DISTRICT COUNCIL OF CARPENTERS

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Lawrence D'Errico  
Charles Harkin  
Peter Thomassen

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Executive Director

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George Greco  
David T. Meberg  
Kevin O'Callaghan  
Michael Weber

### Summary of Material Modification

May 7, 2010

**To: All Active and Retired Participants Eligible for Short-term Disability Benefits from the New York City District Council of Carpenters Welfare Fund**

### Modifications In Your Welfare Fund

*This document is a Summary of Material Modification ("SMM") intended to notify you of an important modification made to the New York City District Council of Carpenters Welfare Fund ("the Fund"). You should take the time to read this SMM carefully and keep it with your copy of the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding these modifications to benefits under the Fund, please contact the Fund Office during normal business hours at 395 Hudson Street, New York, NY 10014. The Fund's telephone number is (212) 366-7300 or (800) 529-3863.*

### IMPORTANT NOTICE

**Please read this carefully. It could affect your ability to receive short-term disability benefits.**

The purpose of this SMM is to notify you that, effective November 19, 2009, the requirements for Retirees to be eligible for short-term disability benefits from the Fund have been clarified. **ANY RETIREE WHO WORKS IN COVERED EMPLOYMENT AND BECOMES DISABLED WILL BE ELIGIBLE FOR SHORT-TERM DISABILITY BENEFITS FROM THE FUND IF THE RETIREE IS UNABLE TO WORK AS THE RESULT OF AN INJURY OR ILLNESS THAT IS NOT WORK-RELATED.**

If you receive short-term disability benefits from the Fund and participate in the New York City District Council of Carpenters Pension Plan (the "Pension Plan"), you may be ineligible to receive monthly pension payments from the Pension Plan for the period of time that you receive short-term disability benefits from the Fund. You should contact the Pension Plan to determine how your monthly pension benefit could be affected if you receive short-term disability benefits from the Fund.

This notice is a Summary of Material Modification ("Summary") intended to provide you with an easy-to-understand description of certain important modifications to the Fund. You should take the time to read this Summary carefully and keep it with the copy of the SPD that was previously provided to you. While every effort has been made to make this description as complete and as accurate as possible, this Summary, of course, cannot contain a full restatement of the terms and provisions of the Fund. If any conflict should arise between this Summary and the Fund, or if any point is not discussed in this Summary or is only partially discussed, the terms of the Fund will govern in all cases.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Fund, or any benefits provided under the Fund, in whole or in part, at any time and for any reason.

# NEW YORK DISTRICT COUNCIL OF CARPENTERS

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George Greco  
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Paul O'Brien  
Kevin O'Callaghan

### *Memorandum*

TO: All Participants in the New York City District Council of Carpenters Welfare Fund including Active Employees, Retirees, Survivors and COBRA participants and all of their Eligible Dependents

FROM: Board of Trustees

DATE: June 8, 2011

RE: Health Care Reform: Required Notices, Summary of Material Modification and Age 26 Enrollment Notice

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As you know, health care reform legislation was passed by Congress and signed into law by President Obama in March 2010. The name of the law is the Patient Protection and Affordable Care Act (the "Affordable Care Act"). Although the law has been in existence for over a year now, many of its requirements did not become effective until the first plan year beginning on or after September 23, 2010 (six months after the date that the law was enacted). The New York City District Council of Carpenters Welfare Fund (the "Fund") has a plan year that begins July 1. Thus, some of the provisions of the law that apply to this Fund are becoming effective for the first time on July 1, 2011, and that is why you are receiving the enclosed documents at this time.

Following is a summary of the enclosed documents:

1. **Notice of Grandfathered Health Plan:** Because this Fund was in existence in March 2010 when the law was enacted, certain of the new requirements in the law do not apply to the Fund. In other words, the Fund is considered to be a "grandfathered plan." The first notice explains what it means to be a grandfathered plan.



2. **Notice about the Early Retiree Reinsurance Program**: The Affordable Care Act created a program for a limited reimbursement to health care plans, such as this Fund, for some of the health care costs they pay on behalf of retirees who are age 55 or older and are not yet eligible for Medicare. In order to participate in this federal reimbursement program, health plans have to comply with certain restrictions. The second notice describes those requirements.
3. **Notice of Enrollment Opportunities**: The Affordable Care Act requires health plans to provide coverage for adult dependent children up to age 26. It also prohibits a health plan from having lifetime limits on essential health benefits. The third notice describes the new enrollment opportunities for adult dependent children as well as for any individual who previously lost coverage as a result of having reached the Fund's lifetime limit of \$1 million applicable to out-of-network benefits only.
4. **Description of Plan Changes**: This document describes the changes to the Fund in order for the Fund to comply with the Affordable Care Act. As described in the enclosure, the changes include an extension of coverage to adult dependent children (see #3 above), the elimination of the lifetime limit on out-of network benefits (see #3 above), and certain changes required by law to pediatric dental and vision benefits.
5. **Age 26 Adult Children Enrollment Form**: This is the form (and accompanying instructions) that must be submitted to the Fund by July 31, 2011 in order to enroll adult dependent children.

Please do not hesitate to contact the Fund Office if you have any questions.

Enclosures

## **Important Information Regarding Your Welfare Trust Fund Benefits**

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This document contains important information concerning your New York City District Council of Carpenters Welfare Fund benefits. Please read it and keep it with your Summary Plan Description (SPD) for future reference. Please share this document with your family.

### **I. Notices**

#### **Notice of Grandfathered Health Plan**

The Board of Trustees believes the New York City District Council of Carpenters Welfare Fund is a "grandfathered health plan" 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 at 212-366-7300 or toll free at: 800-529-3863. 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](http://www.dol.gov/ebsa/healthreform). This website has a table summarizing which protections do and do not apply to grandfathered health plans.

## **Notice About the Early Retiree Reinsurance Program**

You are a plan participant, or are being offered the opportunity to enroll as a plan participant, in an employment-based health plan that is certified for participation in the Early Retiree Reinsurance Program. The Early Retiree Reinsurance Program is a Federal program that was established under the Affordable Care Act. Under the Early Retiree Reinsurance Program, the Federal government reimburses a plan sponsor of an employment-based health plan for some of the costs of health care benefits paid on behalf of, or by, early retirees and certain family members of early retirees participating in the employment-based plan. By law, the program expires on January 1, 2014.

Under the Early Retiree Reinsurance Program, your plan sponsor may choose to use any reimbursements it receives from this program to reduce or offset increases in plan participants' premium contributions, co-payments, deductibles, co-insurance, or other out-of-pocket costs. If the plan sponsor chooses to use the Early Retiree Reinsurance Program reimbursements in this way, you, as a plan participant, may experience changes that may be advantageous to you, in your health plan coverage terms and conditions, for so long as the reimbursements under this program are available and this plan sponsor chooses to use the reimbursements for this purpose. A plan sponsor may also use the Early Retiree Reinsurance Program reimbursements to reduce or offset increases in its own costs for maintaining your health benefits coverage, which may increase the likelihood that it will continue to offer health benefits coverage to its retirees and employees and their families.

## **NOTICES OF ENROLLMENT OPPORTUNITIES**

### **Opportunity to Enroll in connection with Extension of Dependent Coverage to Age 26**

Effective July 1, 2011, the Fund will extend coverage to participants' eligible children up to the end of the month in which the child reaches age 26. Coverage is available whether the child is married or unmarried, regardless of student status, employment status<sup>99</sup>, financial dependency on the participant, or any other factor other than the relationship between the child and the participant. The Plan amendment pertaining to the new definition of Dependent Children is described in Section II of this announcement. If you have a child who is under age 26 (whether married or unmarried), including a child currently receiving continuation coverage under COBRA, that child may be eligible to enroll in the Plan as of July 1, 2011.

Individuals whose coverage ended, who were denied coverage, or who were not eligible for coverage, because the availability of dependent coverage of children ended before attainment of age 26 are eligible to enroll in the NYC District Council of Carpenters Welfare Fund. If you wish to enroll your child for coverage beginning July 1, 2011, please complete the attached enrollment form and return it to the Fund Office by no later than July 31, 2011. If you request enrollment by that date, coverage will be effective on July 1, 2011. For more information, contact the Fund Office at the New York City District Council of Carpenters Welfare Fund, 395 Hudson Street, 8<sup>th</sup> Floor, New York, NY 10014; Phone: 212-366-7300 or toll free at: 800-529-3863; Fax: 212-366-3301.

### **Lifetime Limit No Longer Applies**

The overall lifetime limit of \$1,000,000 on the Out-of-Network Benefits under the New York City

District Council of Carpenters Welfare Fund no longer applies. Individuals whose coverage ended by reason of reaching this lifetime limit are eligible to enroll in the plan. Individuals have 30 days from the date of this notice to request enrollment. For more information, contact the Fund Office. Please see Section II on Plan changes for information on annual limits now applicable for the Plan effective July 1, 2011.

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<sup>99</sup>As explained later in this announcement, for plan years beginning prior to January 1, 2014, an adult Dependent Child is not eligible for coverage under the Plan if he/she is eligible for coverage under another employer-sponsored health plan other than a group health plan of a parent.

## II. Plan Changes Effective July 1, 2011

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The section of the SPD entitled "Dependent Coverage" is replaced in its entirety with the following:

### **Dependent Coverage**

If you are covered, your eligible dependents may be covered for medical, dental, prescription drug, vision care, hearing aid and dependent life insurance benefits. Eligible dependents include your:

➤ **Lawful spouse**

➤ **Covered Child**, any of the Active Employee's or Retirees children listed below who are under the age of 26 (whether married or unmarried):

- **Son or daughter** (proof of relationship and age will be required).
- **Stepson or stepdaughter** (proof of relationship and age will be required).
- **Legally adopted child or child placed for adoption** with you (proof of adoption or placement for adoption and age will be required), including children placed in your home by a licensed placement agency for the purpose of adoption or Children who have been living in your home as foster Children for whom foster care payments are being made, and petition for adoption has been filed. Your adopted newborn children, who are covered from the moment of birth (once the adoption becomes finalized), provided the proposed adoptive parent takes custody of the infant as soon as the infant is released from the hospital after birth and the parent files an adoption petition with New York State (or the state where you live) within 30 days of the infant's birth. However, adopted newborns will not be covered from the moment of birth if (1) one of the child's birth parents covers the newborn's initial hospital stay; (2) a notice revoking the adoption has been filed; or (3) one of the birth parents revokes their consent to the adoption. The child's placement for adoption terminates upon the termination of such legal obligation.
- A child named as an "alternate recipient" under a **Qualified Medical Child Support Order**.
- **Unmarried Disabled Children age 26 and over** (Children incapable of self-sustaining employment) who are primarily dependent upon you for support and maintenance, provided:
  - such Children depend on you for more than one half of their annual financial support;
  - such Children live with you in the same principal residence for more than half the calendar year except for temporary absences due to special circumstances such as education, illness, or if such Children reside in a treatment center; and
  - such incapacity commenced while the child was covered by the Welfare Fund; and
  - you provide the required proof of the incapacity to the Fund Office within 12 months of the date the child's coverage would have otherwise ended. (The Trustees reserve the right to have such eligible dependent examined by a doctor of their choice to determine the existence of such incapacity)
- **Dependent parents** (if you are not married and have no eligible dependent Children, you may cover a parent(s) who lives in the United States and is claimed as a dependent on your federal income tax return for the preceding year).

Except for disabled children described above, coverage for the Covered Children generally continues until the end of the month in which they reach age 26. Coverage for a Covered Child who is disabled prior to reaching the limiting age while covered under the Plan will terminate the earliest of the date the child: (1) is no longer disabled as defined by the Plan; (2) marries; (3) is no longer dependent on you (the Active Employee/Retiree) for support and maintenance; or (4) the date you are no longer covered under the Plan.

For plan years beginning prior to January 1, 2014, an adult Dependent Child is not eligible for coverage under the Plan if such adult child is eligible for coverage under another employer-sponsored health plan other than a group health plan of a parent.

### **When Coverage Ends**

The "When Coverage Ends" section of the SPD is amended by the following at the end of the section:

Coverage for you and/or your dependents may be terminated retroactively (rescinded) due to any of the following:

- in cases of fraud or intentional misrepresentation (in such cases, you will be provided with 30 day notice);
- due to non-payment of premiums (including COBRA premiums);

Failure to provide complete, updated and accurate information to the Fund Office on a timely basis regarding your marital status, employment status of a spouse or child, or the existence of other coverage (or, in the case of adult children, eligibility for other employer-sponsored coverage) constitutes intentional misrepresentation of material fact to the Plan.

### **Elimination of Lifetime Limit for Major Medical Expense Benefit Effective July 1, 2011**

The Lifetime maximum of \$1,000,000 under the Plan for out-of-network benefits is eliminated and replaced with an annual limit for out-of-network benefits for each covered individual of \$1,000,000 for the July 1, 2011 to June 30, 2012 plan year.

### **Dental Benefits for Pediatric Services**

Pediatric preventive and diagnostic services will be paid as medically necessary in accordance with the Fund's allowances for children under the age of 19 and will not be subject to the \$2,500 annual maximum (\$1,500 maximum for Retirees). All other Dental benefits will otherwise continue to be paid in accordance with the Plan's benefit schedule, and will continue to be subject to the annual maximums.

### **Optical Benefits for Pediatric Services**

Pediatric vision benefits will be payable for one pair of glasses and one eye exam per 12 month period in accordance with the Plan's benefit schedule.

This summary only highlights the key changes made to the New York City District Council of Carpenters Welfare Fund. Summary of material modifications (SMMs) together with the Summary Plan Description make up your official plan descriptions; please keep them together and refer to them as necessary. We have made every attempt to ensure the accuracy of the information in this SMM and the SPD. However, if there is any discrepancy between them and the insurance certificates/Empire booklet or other legal documents, the legal documents will always govern.

If you would like to request a copy of the SPD, please contact the Fund Office.

### **Opportunity to Enroll in connection with Extension of Dependent Coverage to Age 26**

Individuals whose coverage ended, who were denied coverage, or who were not eligible for coverage because the availability of dependent coverage of children ended before attainment of age 26 are eligible to enroll in the NYC District Council of Carpenters Welfare Fund. If you wish to request enrollment for your child, please complete the attached enrollment form and return it to the Fund Office by July 31, 2011. If the form is received by July 31, 2011, coverage will be effective July 1, 2011. If the form is received after July 31, 2011, coverage will not be effective until the first day of the month following the month in which the completed form is received. **In order for your child to be covered by the Welfare Fund, you (the Participant) must be an eligible Active Employee or an eligible Retiree in the Welfare Fund.** For more information, contact the Fund Office.

### **INSTRUCTIONS FOR REQUESTING ENROLLMENT FOR CHILD TO AGE 26**

You must complete this form if you want to enroll:

- Children younger than age 26 who were not previously eligible to enroll in the Plan;
- Children younger than age 26 who were previously denied coverage under the Plan; and
- Children younger than age 26 whose coverage under the Plan previously ended.

**You must complete a separate form for each child you wish to enroll in the Plan. You (the Participant) must complete the form in its entirety and you, your adult child, and your adult child's spouse (if applicable) must all sign and date the form. Your (the Participant) signature must be notarized.**

Please note:

- If you have more than one child whom you wish to enroll, you will need to complete a separate form for each child.
- You must include a copy of each child's birth certificate.
- You must complete the attached form and return it to the Fund Office by **July 31, 2011**. If you do so, coverage for your adult child will be effective July 1, 2011 (or will continue past July 1, 2011).
- If the Fund Office does not receive this form by July 31, 2011, you will not be able to enroll a child during this special enrollment opportunity. If you enroll your dependent child after the July 31, 2011 deadline, coverage will not be effective until the first of the month after the date the Fund Office receives your completed enrollment materials.

For adopted children or those placed for adoption with you, please provide a copy of the adoption paperwork. For a stepchild, please provide a copy of your and your spouses' (the child's natural parent's) marriage certificate, as well as the child's birth certificate.



## ENROLLMENT FORM FOR ELIGIBLE CHILDREN TO AGE 26

*Complete one form for each Child*

**YOU MUST SIGN THE BACK OF THIS FORM AND HAVE IT NOTARIZED FOR THE FORM TO BE ACCEPTABLE TO THE FUND OFFICE.**

<b>A. Participant (Employee/Retiree) Information:</b>			
Last Name		First Name	Middle Initial (MI)
Mailing Address		Social Security Number	
City		State	Zip Code
Gender <input type="checkbox"/> F <input type="checkbox"/> M	Date of Birth: (Month/Day/Year)	Home Phone Number	Cell Phone Number
<b>B. Child Enrollment:</b> Child's relationship to you:			
<input type="checkbox"/> Son/Daughter <input type="checkbox"/> Stepchild <input type="checkbox"/> Adopted child <input type="checkbox"/> Child placed with you for adoption <input type="checkbox"/> Foster Child			
Child's Last Name		First Name	Middle Initial (MI)
Gender <input type="checkbox"/> F <input type="checkbox"/> M	Date of Birth: (Month/Day/Year)	Child's Social Security Number	
Is your adult child (age 19 to 26) : • Currently enrolled in the Plan: <input type="checkbox"/> Yes <input type="checkbox"/> No • Married? <input type="checkbox"/> Yes <input type="checkbox"/> No • Employed? <input type="checkbox"/> Yes (complete Section C) <input type="checkbox"/> No • Is child's spouse employed? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, complete Section C		Is your adult child <b>Eligible for</b> other employer-sponsored coverage: • through his/her own employer? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, complete Section D • through his/her spouse's employer? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, complete Section D	
<b>C. Employer Name/Address and Phone number:</b> If your child is employed, provide employer name, address and phone number. If the child is married and the spouse is employed, provide information about the spouse's employer.			
Adult Child's Employer Name:			
Employer Address and Phone Number:			
Adult Child's Spouse's Name:			
Adult Child's Spouse's Employer Name:			
Employer Address and Phone number:			
<b>D. Eligibility for Other Health Care Coverage:</b> Complete the following section if your adult child is currently <b>eligible for</b> health coverage either through his/her own employment or his/her spouse's employment, even if not enrolled in coverage.			
Policyholder's Name:	Policyholder relationship to Child <input type="checkbox"/> Self <input type="checkbox"/> Child's spouse	Policyholder Date of Birth:	Group and Policy #:
Insurance Company/Claims Administrator Name:		Address:	Phone #:

**Please sign and notarize the last page of this form.**

**Participant (Employee/Retiree) Statement:** I acknowledge by signing this form that all the information provided is true and correct to the best of my knowledge. I understand that if I conceal information, provide false information, or otherwise mislead the Plan, my child's eligibility for Plan coverage will be terminated retroactively and I will be liable for any claims that were paid erroneously based on the false or misleading information.

Signature \_\_\_\_\_ Date \_\_\_\_\_

State of \_\_\_\_\_ )

)

County of \_\_\_\_\_ )

On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me came \_\_\_\_\_, to me known and known to me to be the person described in and who executed the foregoing statement and (s)he duly acknowledged to me that (s)he executed the same.

\_\_\_\_\_  
Notary Public

**Adult Child's Statement:** I acknowledge by signing this form that all the information provided is true and correct to the best of my knowledge. I authorize the Plan Office to contact my employer to verify the existence of other coverage that may be available to me through that employment. I understand that if I conceal information, provide false information, or otherwise mislead the Plan, my eligibility for Plan coverage will be terminated retroactively and I and my parent will be liable for any claims that were paid erroneously based on the false or misleading information.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Adult Child's Spouse's Statement (if Adult Child listed above is married):** I acknowledge by signing this form that all the information provided is true and correct to the best of my knowledge. I authorize the Plan Office to contact my employer to verify the existence of other coverage that may be available to my spouse through my employment. I understand that if I conceal information, provide false information, or otherwise mislead the Plan, my spouse's eligibility for Plan coverage will be terminated retroactively and my spouse and his/her parent will be liable for any claims that were paid erroneously based on the false or misleading information. **I understand I am not eligible for coverage under this plan.**

Signature \_\_\_\_\_ Date \_\_\_\_\_

# NEW YORK DISTRICT COUNCIL OF CARPENTERS

## UNION TRUSTEES

Frank G. Spencer  
Co-Chairman  
  
John Ballantyne  
Douglas J. McCarron  
Paul Tyznar

## BENEFIT FUNDS

**Joseph Epstein**  
Executive Director

395 Hudson Street  
New York, N.Y. 10014  
Telephone: (212) 366-7300  
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## MANAGEMENT TRUSTEES

David T. Meberg  
Co-Chairman  
  
Catherine Condon  
John DeLollis  
Paul O'Brien  
Kevin O'Callaghan  
Bryan Winter

### ***SUMMARY OF MATERIAL MODIFICATIONS***

TO: All Participants in the New York City District Council of Carpenters Welfare Plan

FROM: Board of Trustees

DATE: August 2011

RE: Fraud and Permanent Termination of Welfare Plan Coverage

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This document is a Summary of Material Modifications ("SMM") intended to notify you of changes made to the New York City District Council of Carpenters Welfare Plan (the "Welfare Plan"). Please read this SMM carefully and keep it with the Summary Plan Description (the "SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding this SMM, please contact the Fund Office at 395 Hudson Street, New York, NY 10014, telephone number (212) 366-7300.

This SMM modifies prior SMMs dated February 11, 2008 and January 2, 2008. As a result of the changes set forth in this SMM, the authority to determine whether a participant has engaged in fraud vests with the Board of Trustees, and such determination shall not require application of the Adjudication Procedures adopted by the New York City District Council of Carpenters, which are referenced in the prior SMMs. A participant determined by the Board of Trustees to have committed fraud as well as his/her dependents shall be permanently ineligible for Active or Retiree Welfare coverage.

Any participant, including but not limited to, a union official, shop steward, foreman, owner, or employee, who is determined, in the sole discretion of the Board of Trustees, to have defrauded the Welfare Plan or assisted another individual or entity to defraud the Welfare Plan in any form or manner, shall be permanently ineligible for Active or Retiree Welfare coverage. Such Participant's dependents shall also be permanently ineligible for Active or Retiree Welfare coverage.

In addition, any participant determined to have worked "off the books," in the sole discretion of the Board of Trustees, shall be ineligible for Active or Retiree Welfare coverage. Such Participant's dependents shall also be permanently ineligible for Active or Retiree Welfare coverage. Working "off the books" is a situation in which an employer and an employee conspire or otherwise agree or arrange that the actual

number of hours worked by the employee will not be reported to the Welfare Plan. If it is determined that a participant worked "off the books," the participant and his/her dependents shall be permanently ineligible for Active or Retiree Welfare coverage.

The termination of Welfare coverage due to fraud shall be effective as soon as administratively practical following the Trustees' determination of fraud and the issuance of written notice of the Trustees' determination to the participant and his/her dependents.

A participant and/or his/her dependents who become ineligible for Welfare coverage due to a determination that they have committed fraud will not be entitled to elect COBRA coverage since loss of coverage due to fraud is not a qualifying event under COBRA.

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Bryan Winter

TO: City Carpenter Actives  
FROM: Joe Epstein, Executive Director  
DATE: November 14, 2011  
RE: Summary of Changes to Welfare Plan

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Enclosed is a Summary of Material Modification ("SMM") describing changes to the New York City District Council of Carpenters Welfare Fund (the "NYCDCC Welfare Fund") and various forms. The following summarizes the changes:

1. In order to have prescription drug coverage through the NYCDCC Welfare Fund after December 31, 2011, you will have to submit an enrollment form and pay your first monthly premium of **\$118** by December 15, 2011 for coverage effective January 1, 2012. Each monthly premium for prescription drug coverage will be \$118. The enrollment form and payment should be sent to:

Administrative Services Only, Inc.  
303 Merrick Road, Suite 300  
Lynbrook, NY 11563-9010

2. If you don't purchase prescription drug coverage through the NYCDCC Welfare Fund, you will **not** be eligible to purchase prescription drug coverage through the City of New York.
3. Regardless of whether you purchase prescription drug coverage through the NYCDCC Welfare Fund, you will still be eligible for dental, vision, hearing, life insurance, short-term disability, and scholarship benefits from the NYCDCC Welfare Fund.
4. If you do not purchase prescription drug coverage through the NYCDCC Welfare Fund, in addition to remaining eligible for dental, vision, hearing, life insurance, short-term disability, and scholarship benefits from the NYCDCC Welfare Fund, you will also be eligible for **\$637 per year** as reimbursement of medical, hospital, dental and prescription drug deductibles and copayments. Additional information about the reimbursement program will be sent to you in early 2012. Reimbursement is not available if you purchase prescription drug coverage.



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### SUMMARY OF MATERIAL MODIFICATION TO THE NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND REGARDING PRESCRIPTION DRUG PROGRAM AND REIMBURSEMENT BENEFIT FOR CARPENTERS EMPLOYED BY THE CITY OF NEW YORK

TO: City Carpenter Actives  
FROM: Joe Epstein, Executive Director  
DATE: November 14, 2011  
RE: Changes to Welfare Plan

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This memo, which is in a question and answer format, serves as a Summary of Material Modification ("SMM") intended to notify you of a change to the New York City District Council of Carpenters Welfare Fund (the "NYCDCC Welfare Fund") and to provide you with important information regarding the prescription drug benefit currently provided by the NYCDCC Welfare Fund to Carpenters employed by the City of New York ("Actives"). This letter also serves as the Special Enrollment Notice for prescription drug coverage. Please read the following information, review all the enclosed forms carefully, and return the forms and required payment to continue prescription drug coverage to Administrative Services Only, Inc. by **December 15, 2011**.

### **BENEFIT CHANGES AND REASON FOR THE CHANGES**

1. What change is being made to the NYCDCC Welfare Fund Prescription coverage provided to City Carpenters employed by the City of New York?

Effective **January 1, 2012**, all City Carpenters who are employed by the City of New York ("Actives") and who are covered by the NYCDCC Welfare Fund will be required to pay a **monthly premium of \$118 in order to continue prescription drug coverage** through the NYCDCC Welfare Fund. If you do not pay the initial \$118 monthly premium and submit a completed "Election/Rejection" form by December 15,

2011, you will have no prescription drug coverage through the NYCDCC Welfare Fund after December 31, 2011.

- 2. If I elect not to purchase prescription drug coverage through the NYCDCC Welfare Fund, am I eligible to purchase a prescription drug coverage rider through the City of New York?**

No. The Civil Service Division of the New York City District Council of Carpenters (the "Union") has advised us that the City will not allow you to purchase a rider for prescription drug coverage through the City since you are eligible to purchase prescription drug coverage through the NYCDCC Welfare Fund.

- 3. If I do not elect prescription drug coverage through the NYCDCC Welfare Fund, what happens to the other benefits provided to the City Carpenters by the NYCDCC Welfare Fund?**

If you do not elect prescription drug coverage through the NYCDCC Welfare Fund, you will continue to be eligible for all the other benefits – except for prescription drug coverage – provided by the NYCDCC Welfare Fund. The other benefits for which you will remain eligible are dental, vision, hearing, life insurance, short-term disability, and scholarship benefits.

If you do not elect prescription coverage, you will be eligible for a reimbursement of up to **\$637 per year** for medical, hospital, dental and prescription drug deductibles and copayments. Additional information regarding the reimbursement benefit will be sent to you early next year.

- 4. Why is an employee premium being imposed on the City Carpenters for prescription drug coverage?**

Unfortunately, the contributions made by the City of New York to the NYCDCC Welfare Fund have not covered the cost that the NYCDCC Welfare Fund incurs in providing these benefits to the City Carpenters. Due to the shortfall between the City's contributions and the cost of the benefits, the Trustees determined that a monthly premium is necessary to continue offering prescription coverage.

- 5. How much does the City of New York contribute to the NYCDCC Welfare Fund on behalf of the City Carpenters?**

The City contributes \$1,640 per year on behalf of each Active City Carpenter and on behalf of each Retired City Carpenter. Unfortunately, that amount has not been sufficient to cover the costs of the benefits provided to the City Carpenters.

#### **PRESCRIPTION PREMIUM PAYMENT AND ELECTION ISSUES**

- 6. What steps do I need to take to continue my prescription drug coverage through the NYCDCC Welfare Fund?**

If you wish to continue prescription drug coverage through the NYCDCC Welfare Fund, you must complete the enclosed "Election/Rejection" form and return it in the enclosed envelope to:

Administrative Services Only, Inc.  
303 Merrick Road, Suite 300  
Lynbrook, NY 11563-9010

The completed form must be accompanied by a check or money order in the amount of \$118 payable to the "NYC District Council of Carpenters WF-RX Program" or by an automatic checking withdrawal authorization form. See Question & Answer 12 for more information about authorizing automatic deductions from your checking account.

**7. What is the amount of the monthly premium?**

As noted above, the monthly premium to continue prescription drug coverage through the NYCDCC Welfare Fund is **\$118 per month**. The Trustees of the Welfare Fund will be reviewing the cost on a regular basis and will make any necessary adjustments to the premium. We will notify you in advance of any premium adjustments.

**8. Can I elect to have the City of New York deduct the amount of the premium from my paycheck?**

No. The Union has advised us that it requested that the City provide a mechanism for the City Carpenters to pay the prescription drug coverage on a pre-tax payroll deduction basis and that the City responded that it is unable to do so.

**9. When is the election/rejection form and monthly premium due to ASO?**

Your election form and initial monthly premium must be received by Administrative Services Only, Inc. ("ASO") by **December 15, 2011** for coverage to be effective January 1, 2012. Each monthly premium thereafter will be due by the 15<sup>th</sup> day of the month preceding the month of coverage. For example, your monthly premium for February 2012 will be due on January 15, 2012 and your monthly premium for March 2012 will due on February 15, 2012. Once you elect to continue coverage, your coverage will continue provided that you make the required payments. If you fail to make timely payments, your coverage will terminate on the last day of the month for which you made payment. You will not receive any reminder notices advising you of your monthly payment obligation.

**10. Who is Administrative Services Only, Inc. ("ASO") and why am I sending the monthly premium to ASO?**

Administrative Services Only, Inc. ("ASO") is one of the NYCDCC Welfare Fund's third-party providers; ASO is one of the dental administrators for the NYCDCC Welfare Fund. The NYCDCC Welfare Fund has selected ASO to handle the collection of the monthly premium for the prescription drug benefit and to administer the reimbursement benefit.

**11. What happens if I do not submit a completed election form and monthly payment to ASO by December 15, 2011?**

We are requesting that you submit a completed Election/Rejection Form even if you are not electing to continue prescription drug coverage through the NYCDCC

Welfare Fund. However, if your completed form and the required payment are not received by ASO by December 15, 2011, prescription drug coverage for you and your eligible dependents automatically will be terminated effective January 1, 2012. **To reiterate, the only way to continue prescription drug coverage through the NYCDCC Welfare Fund after December 31, 2011 is to submit a completed election form and required payment or automatic withdrawal form to ASO by December 15, 2011.**

**12. If I elect prescription drug coverage through the NYCDCC Welfare Fund, what payment options are available to me?**

You can send in a check or money order each month to ASO at the address listed above. Alternatively you can submit an automatic withdrawal authorization form for payment of monthly premiums with a voided check to ASO. The authorization form is enclosed. You will be able to cease automatic withdrawals at any time by calling ASO at 1-877-999-3555.

**13. Can I pay on a quarterly basis? If I pay on a quarterly basis, is there a discount available to me?**

You may pre-pay for prescription drug coverage on a quarterly basis if you prefer. There are no discounts for pre-payment.

**PERIODS IN WHICH YOU ARE ELIGIBLE  
TO PURCHASE PRESCRIPTION DRUG COVERAGE**

**14. If I do not elect to continue prescription drug coverage by December 15, 2011, will I be able to elect to receive prescription drug benefits at a later date?**

If you do not elect prescription drug coverage by December 15, 2011 and submit the required payment, you will not be able to elect prescription drug coverage until the end of 2012 for prescription drug coverage commencing on January 1, 2013. The only exception to this is if you subsequently qualify for a special election period (described below).

**15. If I initially elect to continue prescription drug coverage but I discontinue my coverage in 2012, will I be able to elect to purchase prescription drug coverage through the NYCDCC Welfare Fund at a later date?**

If you initially elect prescription drug coverage for 2012 but then drop coverage in 2012, you will not be able to elect coverage until **January 1, 2014** unless you meet the special enrollment provisions described below. In other words, if you elect prescription drug coverage for 2012 but then drop the coverage, you will not be eligible to re-select prescription drug coverage for the remainder of 2012 and for all of 2013 unless you meet the special enrollment provisions described below.

**16. Why are there limits on when I can select prescription drug coverage?**

The Trustees want to minimize the need for future premium increases. If you are able to select prescription drug coverage at any time, there is a risk that your decision to select prescription drug coverage will be based on your personal circumstances and healthcare needs and that will lead to higher costs for the NYCDCC Welfare Fund and higher premiums for all City Carpenters. This concept is referred to as "adverse selection." By limiting the periods during which you may select prescription drug coverage, adverse selection is minimized and costs are controlled.

**17. What is the Special Enrollment Period for electing prescription drug coverage?**

If you are declining enrollment in prescription drug coverage because of other health insurance or group health plan coverage, you may be able to enroll in prescription drug coverage through the NYCDCC Welfare Fund if you lose eligibility for that other coverage (or if the employer stops contributing toward the other coverage). For example, if you decline coverage for 2012 because you have a second job or your spouse has a job that provides prescription drug coverage but, subsequently, that coverage is no longer available to you, you will have an opportunity to enroll in prescription drug coverage through the NYCDCC Welfare Fund. However, you must request enrollment within 30 days after your other coverage ends (or after the employer stops contributing toward the other coverage).

In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may enroll your new dependent in prescription drug coverage. You must request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

To request special enrollment or obtain more information, contact:

Administrative Services Only, Inc.  
303 Merrick Road, Suite 300  
Lynbrook, NY 11563-9010  
Telephone (877) 999-3555  
Facsimile (516) 396-5593  
[www.asonet.com](http://www.asonet.com)

**TAX ISSUES**

**18. Will my premium payments for prescription drug coverage be made on a pre-tax or after tax basis?**

Your premium payments for prescription drug coverage will be made on an after-tax basis.

**19. Will my premium payments for prescription drug coverage be tax-deductible when I file my tax return?**

You will need to check with your tax adviser on whether you can deduct your premium payments for prescription drug coverage when you file your taxes. The general

rule is that a tax deduction for medical expenses, including after tax premium payments, such as this prescription drug coverage premium, is only available to taxpayers who itemize their deductions and only if the expenses exceed 7.5% of adjusted gross income. Whether you should itemize deductions is based on your particular financial circumstances.

### **ADDITIONAL INFORMATION**

**20. Who should I contact if have questions or need additional copies of the enclosed forms?**

Please contact ASO if you have any questions or require additional forms. You can download forms from [www.asonet.com](http://www.asonet.com). You may also contact the Fund Office if you have any questions.

## **ADMINISTRATIVE SERVICES ONLY, INC.**

303 Merrick Road, Suite 300

Lynbrook, NY 11563-9010

1-877-999-3555

516-396-5593

www.asonet.com

### **Terms and Conditions for Automatic Withdrawal**

**SCOPE OF AGREEMENT:** This Agreement covers your participation in the Automatic Withdrawal Program offered by Administrative Services Only, Inc. (the "Program"). In this Agreement, the words "you" and "your" refer to the Basic Participant (that is, the person primarily responsible for payment of the account) and also includes all Additional Participants who have applied to participate in the Program. The words "we," "our" and "us" refer to Administrative Services Only, Inc. The words "your account" refer to the account held by a bank, securities firm or other financial institution from which payment will be made when you make transactions under the Program. The words "your bank" mean the bank, securities firm or other financial institution that holds your account.

**PAYMENT FOR CASH OR CHECKS:** Each time you initiate a transaction, you authorize us or our agent to draw a check or draft or initiate an automated clearing house (ACH) or depository transfer check (DTC) debit in your name from the financial account you specify in the amount you request, payable to us or to our agent, in the amount of the transaction.

**CHARGES:** Your bank may assess its customary per-check or item-handling charge, if any. You also agree to pay us a service charge of \$15 for each dishonored check or draft to reimburse us for any costs of collection. Your bank may also assess its customary charge for such items.

**DISHONORED REQUESTS FOR PAYMENTS:** If any transaction (check or draft drawn by us or our agent in connection with the Program) is not honored by your bank, we have the right to charge the amount of any such transaction to your bank account or to collect the amount from you in some other way. If this happens, we may cancel your right to participate in the Program.

**HOW TO CONTACT US:** If for any reason you wish to contact us about the automatic withdrawals or, if you believe someone has transferred or may transfer money from your account without your permission, call 1-877-999-3555 or write to us at:

**Administrative Services Only, Inc.  
303 Merrick Road, Suite 300  
Lynbrook, NY 11563**

**OUR LIABILITY FOR IMPROPER TRANSACTIONS OR PAYMENTS:** Subject to certain exception, described below, if a transaction is not completed as you have directed or if we do not complete a transfer to or from your account on time in the correct amount, we will be liable for your losses or damages. However, we will not be liable to you in the following instances:

- If, through no fault of ours, your account does not contain enough money to complete the transaction;
- If the funds in your account are subject to legal process or other encumbrance restricting the transaction;
- If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.

**BUSINESS DAY:** For purposes of this Agreement, our business days are Monday through Friday. Holidays are not included.

**DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES:** To protect your privacy, we will not disclose any information about your transactions to any person, except as follows:

1. as necessary to complete transactions;
2. to comply with government agency or court orders;
3. to our employees, auditors, service providers, attorneys, or collection agents in the course of their duties;
4. to persons authorized by law in the course of their official duties; or
5. if you give us your written permission.

**IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR TRANSACTIONS:** Write or call us at the number or address given above as soon as you can if you think your receipt is wrong or if you need more information about a transaction listed on your receipt. We must hear from you no later than 60 days from when the problem occurred.

1. Tell us your name and Social Security number.
2. Describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

If you tell us orally we may require that you send us your complaint or question in writing within 10 business days from the date you notified us.

We will tell you the results of our investigation within 10 business days\* after we hear from you and we will correct any error promptly. If we need more time, however, we may take up to 45 calendar days to investigate your complaint or question. If we decide to do this, we will ensure that your bank re-credits your account within 10 business days\* for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days\* following your oral notification, we may not re-credit your account. For transactions initiated outside the U.S. (and in the event there are transfers resulting from any point of sale debit card transactions), we will have 20 business days instead of 10 business days, and 90 calendar days instead of 45 calendar days, unless otherwise required by law.

If we determine that there was no error, we will send you a written explanation within 3 business days after we finish our investigation. Upon your request, we will provide you with copies of the documents that we used in our investigation. If we have provisionally re-credited your account during the investigation and determine that there was no error, we will notify you of the date on which we will re-debit your account, and the amount to be debited. You should make certain that your account contains sufficient funds to cover this debit. If this happens, we may cancel your right to participate in the Program.

**Please be sure to check the next day to confirm that the transaction completed successfully.**

*Terms of coverage, benefits and eligibility are governed by the Plan's Rules and Regulations, Insurance Policies and other Plan documents, and the decisions of its Trustees.*

**Return completed form to:   Administrative Services Only, Inc.  
303 Merrick Road, Suite 300  
Lynbrook, NY 11563-9010**

**NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND**  
**PRESCRIPTION DRUG COVERAGE**  
**ELECTION/REJECTION FORM**  
**RESPONSE DUE ON OR BEFORE DECEMBER 15, 2011 IN ORDER TO AVOID**  
**TERMINATION OF PRESCRIPTION DRUG COVERAGE**

First Name \_\_\_\_\_ Last Name \_\_\_\_\_ Soc Sec \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ St \_\_\_\_\_ Zip Code \_\_\_\_\_  
Phone: Day (\_\_\_\_\_) \_\_\_\_\_ Evening: (\_\_\_\_\_) \_\_\_\_\_  
Email Address: \_\_\_\_\_

**PLEASE CHECK ONE:**

- ☐ **YES: I ELECT TO CONTINUE MY PRESCRIPTION DRUG COVERAGE THROUGH THE NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND.**

Enclosed is my \_\_\_\_\_ check \_\_\_\_\_ automatic withdrawal authorization below in the amount of: **\$118.00**  
**Made Payable to:** NYC District Council of Carpenters WF- RX Program.

I understand that payments must be received by Administrative Services Only, Inc. on or before the 15<sup>th</sup> day of the month preceding the month of coverage and that failure to continue to make payments will suspend my coverage and that I will not be eligible to enroll until **January 1, 2014** unless I am eligible for a Special Enrollment Period.

**Automatic Withdrawal Authorization**

Please enter your information about your checking account provided on the bottom of your check. You may only use a checking account. It can be from a bank, credit union or savings association. It cannot be from a money market, line of credit or investment account.

**\*Name on Bank Account:** \_\_\_\_\_

**\*Routing Number:** \_\_\_\_\_

**\*Bank Account #:** \_\_\_\_\_

- ☐ **I wish to have my account debited monthly.**

**I certify that I have read and agree to abide by the Terms and Conditions. Money will be debited from my account at night on the day in which payment is due.**

Please be sure to include a VOIDED check with this form.

- ☐ **NO: I DO NOT WISH TO CONTINUE MY PRESCRIPTION DRUG COVERAGE THROUGH THE NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND.** I understand that if I **DO NOT** elect coverage at this time, I may not elect coverage until **January 1, 2013**, unless I am eligible for a Special Enrollment Period.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Return completed form to: **Administrative Services Only, Inc.**  
**303 Merrick Road, Suite 300**  
**Lynbrook, NY 11563-9010**



# NEW YORK DISTRICT COUNCIL OF CARPENTERS

## UNION TRUSTEES

Frank G. Spencer  
Co-Chairman

John Ballantyne  
Douglas J. McCarron  
Paul Tyznar

## BENEFIT FUNDS

**Joseph Epstein**  
Executive Director

395 Hudson Street  
New York, N.Y. 10014  
Telephone: (212) 366-7300  
Fax: (212) 366-7444

## MANAGEMENT TRUSTEES

David T. Meberg  
Co-Chairman

Catherine Condon  
John DeLollis  
Paul O'Brien  
Kevin O'Callaghan  
Bryan Winter

TO: City Carpenter Retirees  
FROM: Joe Epstein, Executive Director  
DATE: November 22, 2011  
RE: Summary of Changes to Welfare Plan: January 31, 2012 Termination of Prescription Drug Coverage and Option of Full Reimbursement With No Other Coverage or Limited Reimbursement With Other Coverage

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Enclosed is a Summary of Material Modification ("SMM") describing changes to the New York City District Council of Carpenters Welfare Fund (the "NYCDCC Welfare Fund"), information from the City of New York regarding the prescription drug rider through the City, an application for the prescription drug rider through the City, monthly health plan rates from the City, and an election form regarding your dental, vision, hearing, life insurance, and scholarship benefits under the NYCDCC Welfare Fund. The following summarizes the changes:

1. Prescription drug coverage through the NYCDCC Welfare Fund for all City Carpenter Retirees will terminate on **January 31, 2012**.
2. You may purchase a prescription drug rider through the City for a monthly premium that will be deducted from your pension check from the City. Your completed enrollment form must be returned to the New York City Health Benefits Program, 40 Rector Street, 3<sup>rd</sup> Floor, New York, NY 10006, Attn: Rx Carpenters, by no later than **December 19, 2011**.
3. If you are a **Medicare-Eligible Retiree**, you may either purchase the above-described prescription drug rider or you may enroll in a Medicare Part D Plan from an outside vendor for a monthly premium. However, if you choose a Medicare Part D Plan from an outside vendor, your City of New York health coverage might be affected. Please contact the City for more information about the impact of choosing a Medicare Part D Plan from an outside vendor on your City of New York health coverage.
4. You have two options regarding dental, vision, hearing, life insurance, and scholarship benefits provided through the NYCDCC Welfare Fund:
  - **Option 1: Full Reimbursement Benefit**: The NYCDCC Welfare Fund will reimburse you up to \$1,610 per year – representing the City's annual



contribution on your behalf less a \$30 annual administrative fee – for certain health related costs you incur, such as medical, hospital, dental, and prescription co-payments, deductibles and premiums. **You will not be eligible for any dental, vision, hearing, life insurance, and scholarship benefits under this option.** However, you will be eligible to use the SIDS dental network. Although you won't be covered for any dental services, the network might give you access to lower costing dental services. If you want to be covered under this option, you do not need to submit any paperwork; in other words, you will automatically be covered under this option unless you elect otherwise, as described below.

- **Option 2: Limited Reimbursement Benefit:** The NYCDCC Welfare Fund will continue to provide you with the same dental, vision, hearing, life insurance, and scholarship benefits that you receive today plus you will be eligible for up to \$760 in reimbursement for certain health related costs you incur, such as medical, hospital, dental, and prescription co-payments, deductibles and premiums. If you want this option, you must submit the enclosed enrollment form to Administrative Services Only, Inc., 303 Merrick Road, Suite 300, Lynbrook, New York 11563-9010, by **December 31, 2011.**

5. To re-cap, here are the key dates:

- **December 19, 2011:** Due date for completed enrollment form to the New York City Health Benefits Program if you plan to purchase the prescription drug coverage rider through the City beginning February 1, 2012.
- **December 31, 2011:** Due date for completed enrollment form to Administrative Services Only, Inc. if you want to select Option 2: Limited Reimbursement Benefit (continued dental, vision, hearing, life insurance, and scholarship benefits plus a limited reimbursement of up to \$760 for certain health related costs). If you do not return the enrollment form to Administrative Services Only, Inc. by December 31, 2011, your dental, vision, hearing, life insurance, and scholarship benefits will terminate on January 31, 2012.
- **January 31, 2012:** Date that prescription drug coverage terminates under the NYCDCC Welfare Fund for all City Carpenter Retirees

# NEW YORK DISTRICT COUNCIL OF CARPENTERS

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Bryan Winter

### **SUMMARY OF MATERIAL MODIFICATION TO THE NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND FOR CITY CARPENTER RETIREES REGARDING ELIMINATION OF PRESCRIPTION DRUG PROGRAM AND CHOICE OF COVERAGE REGARDING OTHER BENEFITS**

TO: City Carpenter Retirees  
FROM: Joe Epstein, Executive Director  
DATE: November 22, 2011  
RE: Changes to Welfare Plan

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This letter, which is in a question and answer format, serves as a Summary of Material Modification ("SMM") intended to notify you of changes to the New York City District Council of Carpenters Welfare Fund (the "NYCDCC Welfare Fund") and to provide you with important information regarding the elimination of the prescription drug benefit currently provided by the NYCDCC Welfare Fund to Carpenters who are retired from the City of New York ("Retirees"). This SMM also lays out your options regarding the other benefits provided by the NYCDCC Welfare Fund. Please read the following information and review all the enclosed forms carefully.

#### **ELIMINATION OF PRESCRIPTION DRUG COVERAGE AS OF FEBRUARY 1, 2012**

**1. What is happening to the prescription drug benefit provided by the NYCDCC Welfare Fund to City Carpenter Retirees?**

Effective **February 1, 2012**, the NYCDCC Welfare Fund will not provide any prescription drug coverage to City Carpenters who have retired from the City of New York or to the eligible dependents of the Retirees.

**2. Why is prescription drug coverage being eliminated from the NYCDCC Welfare Fund for City Carpenter Retirees?**

Unfortunately, the contributions made by the City of New York to the NYCDCC Welfare Fund have not been sufficient to cover the cost of providing benefits to the City Carpenters. The shortfall required a change in the benefits provided to City Carpenters.



**3. How much does the City of New York contribute to the NYCDCC Welfare Fund on behalf of the City Carpenters?**

The City contributes \$1,640 per year on behalf of each Active City Carpenter and on behalf of each Retired City Carpenter. That amount has not been sufficient to cover the costs of the benefits provided to the City Carpenters.

**4. Where can I obtain prescription drug coverage on or after February 1, 2012?**

The answer to this question depends on whether you are Medicare-Eligible. Please refer to Questions 5 and 6.

**5. FOR NON-MEDICARE-ELIGIBLE RETIREES: I am not eligible to enroll in Medicare Part A and/or B. What can I do to obtain prescription drug coverage beginning February 1, 2012?**

You may purchase a rider for prescription drug coverage to your health coverage through the City of New York. Enclosed are (a) a document from the City of New York entitled "Important Information About Your Prescription Drug Coverage," (b) an application to purchase the prescription rider from the City, and (c) a rate chart for the various prescription riders available through the City. If you want to purchase the prescription rider through the City, **your completed application must be received by the City by no later than December 19, 2011.** You must submit your application to the following address:

New York City Health Benefits Program  
40 Rector Street, 3<sup>rd</sup> Floor  
New York, New York 10006

Attn: Rx Carpenters

For additional information about the prescription rider through the City, please contact the New York City Health Benefits Program.

**6. FOR MEDICARE ELIGIBLE RETIREES: I am eligible for Medicare Part A and/or B. What can I do to obtain prescription drug coverage beginning February 1, 2012?**

You have two options:

You may purchase a rider for prescription drug coverage to your health coverage through the City of New York as described in Question 5, above. Enclosed are (a) a document from the City of New York entitled "Important Information About Your Prescription Drug Coverage," (b) an application to purchase the prescription rider from the City, and (c) a rate chart for the various prescription riders available through the City. If you want to purchase the prescription rider through the City, **your completed application must be received by the City by no later than December 19, 2011.** You must submit your application to the following address:



New York City Health Benefits Program  
40 Rector Street, 3<sup>rd</sup> Floor  
New York, New York 10006

Attn: Rx Carpenters

For additional information about the prescription rider through the City, please contact the New York City Health Benefits Program.

Or, you may enroll in a Medicare Part D Plan through an outside vendor. **Please be advised, however, that enrollment in a Medicare Part D Plan through an outside vendor may affect your City health plan coverage and we urge you to obtain additional information from the City if you intend to enroll in a Medicare Part D Plan through an outside vendor.** Following is some general information about Medicare Part D.

Beginning in January 2006, prescription drug coverage became available to everyone with Medicare through Medicare Part D prescription drug plans. Medicare Part D coverage is provided through private insurance companies and requires that you pay a monthly premium; the amount of the monthly premium varies depending on the plan that you select.

The general enrollment period for Medicare Part D plans is from October 15 to December 7 of each year. However, there is a special enrollment period if you lose creditable prescription drug coverage, such as in this case. Based on the special enrollment period, you will have two months from the January 31, 2012 termination of your prescription drug coverage to enroll in a Medicare Part D Plan. If you decide to enroll in a Medicare Part D Plan, you may need to provide proof that you had prescription drug coverage through the NYCDCC Welfare Fund through January 31, 2012 so that you are not required to pay a higher premium.

If you do not purchase a prescription rider through the City and you do not enroll in a Medicare Part D Plan within two months of your January 31, 2012 loss or coverage, there will be an additional amount added to your monthly Medicare Part D premium if you decide to later enroll in Medicare Part D prescription drug coverage.

If you elect to enroll in a Medicare Part D plan, you are not eligible to purchase a prescription drug rider through the City.



**7. FOR MEDICARE-ELIGIBLE RETIREES: Where can I obtain more information about Medicare Part D?**

More information about Medicare plans that offer prescription drug coverage is in the “Medicare & You” handbook that you receive from the Centers for Medicare and Medicaid Services. You can also get more information about Medicare prescription drug plans from these places:

- Visit [www.medicare.gov](http://www.medicare.gov) for personalized help
- Call your State Health Insurance Assistance Program (telephone number in “Medicare & You”)
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help for paying for a Medicare prescription drug plan is available. Information about this extra help is available from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at [www.socialsecurity.gov](http://www.socialsecurity.gov) or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**OTHER (NON-PRESCRIPTION) BENEFITS PROVIDED THROUGH THE NYCDCC WELFARE FUND**

**8. What will happen to the other benefits provided to the City Carpenter Retirees by the NYCDCC Welfare Fund?**

You will have two options regarding your coverage under the NYCDCC Welfare Fund.

You may discontinue dental, vision, hearing, life insurance, and scholarship benefits under the NYCDCC Welfare Fund. If you discontinue these coverages, the full amount of the City’s annual \$1,640 contribution on your behalf (less a \$30 annual fee to administer the reimbursement plan) will be available to reimburse you for certain health related costs you incur, such as medical, hospital, dental, and prescription co-payments, deductibles, and premiums. The NYCDCC Welfare Fund will make available to you the SIDS dental network. Although you won’t be covered for any services, the availability of the SIDS dental network might give you access to lower-cost services.

Alternatively, you may maintain coverage for all the other benefits – with the exception of prescription drug coverage – provided by the NYCDCC Welfare Fund. These other benefits are dental, vision, hearing, life insurance, and scholarship benefits. If you elect to continue these coverages, you will be eligible for reimbursement up to \$760 per year for certain health related costs you incur, such as medical, hospital, dental, and prescription co-payments, deductibles, and premiums. The amount of the reimbursement is equal to the amount of the City’s annual contribution on your behalf –\$1,640 – less the cost of dental, vision, hearing, life insurance, and scholarship benefits and the \$30 annual administrative fee.



**9. How do I know which option is a better choice for me?**

It will depend on your particular needs. For example, if you are worried about the cost of a prescription drug rider through the City and do not anticipate any major dental work, waiving these coverages and having the full reimbursement might be the best choice for you. On the other hand, if you have prescription drug coverage through your spouse but you do not have other dental, vision, or life insurance coverage, continuing coverage may be the best choice for you. You will have to consider your personal circumstances and health care and financial needs.

**10. How do I make an election?**

The availability of full reimbursement of \$1,610 without coverage for dental, vision, hearing, life insurance, and scholarship benefits will be the default option; there will be no forms for you to submit. If you want to continue dental, vision, hearing, life insurance, and scholarship benefits and have reimbursement of up to \$760 per year, you must submit the attached enrollment form to the following address:

Administrative Services Only, Inc.  
303 Merrick Road, Suite 300  
Lynbrook, NY 11563-9010

**11. If I want to continue dental, vision, hearing, life insurance, and scholarship benefits after January 31, 2012, when is my election form due?**

If you want to continue dental, vision, hearing, life insurance, and scholarship benefits after January 31, 2012, you must submit a completed election form to Administrative Services Only, Inc. by December 31, 2011.

**12. I have questions about how the reimbursement program will work.**

Additional information regarding the reimbursement benefit will be sent to you early next year.

**13. Who is Administrative Services Only, Inc. ("ASO")?**

Administrative Services Only, Inc. ("ASO") is one of the dental administrators for the NYCDCC Welfare Fund. The NYCDCC Welfare Fund has selected ASO to handle the administration of the reimbursement program for City Carpenter Retirees.

**14. What happens if I do not submit a completed election form to ASO by December 31, 2011?**

You will no longer have dental, vision, hearing, life insurance, and scholarship benefits after January 31, 2011. However, you will be eligible for reimbursement of up to \$1,610 for certain health related costs you incur, such as medical, hospital, dental, and prescription co-payments, deductibles, and premiums.

**15. If I do not elect to continue dental, vision, hearing, life insurance, and scholarship benefits, will I be able to add such coverage at a later date or vice versa?**

You will be able to change your election effective January 1, 2013.



## **OTHER ISSUES**

**16. Will my premium payments for prescription drug coverage – whether through the City rider or a Medicare Part D Plan – be made on a pre-tax or after-tax basis?**

Your premium payments for prescription drug coverage will be made on an after-tax basis.

**17. Will my premium payments for prescription drug coverage be tax-deductible when I file my tax return?**

You will need to check with your tax adviser on whether you can deduct your premium payments for prescription drug coverage when you file your taxes. The general rule is that a tax deduction for medical expenses, including after-tax premium payments, is only available to taxpayers who itemize their deductions and only if the expenses exceed 7.5% of adjusted gross income. Whether you should itemize deductions is based on your own unique financial circumstances and is a decision you will have to make after consulting with your tax adviser.

**18. Who should I contact if have questions or need additional copies of the enclosed forms?**

Please contact ASO if you have any questions or require additional forms. Please contact the New York City Health Benefits Program if you have questions about purchasing the rider or about the effect of selecting a Medicare Part D plan from an outside vendor on your other City coverage. You can download forms from [www.asonet.com](http://www.asonet.com). In addition, you may also contact the Fund Office if you have any questions.

Sincerely,

**BOARD OF TRUSTEES**

**NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND**

By:   
Joseph Epstein  
Executive Director

Enclosures



**NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS  
WELFARE FUND**

**CITY CARPENTER RETIREES ELECTION TO CONTINUE DENTAL, VISION,  
HEARING, LIFE INSURANCE, AND SCHOLARSHIP BENEFITS**

PLEASE COMPLETE AND RETURN TO:  
ADMINISTRATIVE SERVICES ONLY, INC  
DEPARTMENT 95-RX  
PO BOX 9010  
LYNBROOK, NY 11563-9010

**RESPONSE DUE BY DECEMBER 31, 2011**

First Name \_\_\_\_\_ Last Name \_\_\_\_\_ Soc Sec \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ St \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone: Day\_(\_\_\_\_\_)\_\_\_\_\_ Evening:\_(\_\_\_\_\_)\_\_\_\_\_

Email Address:\_\_\_\_\_

PLEASE CHECK ONE:

☐

**YES:** I ELECT TO CONTINUE DENTAL, VISION, HEARING, LIFE INSURANCE AND SCHOLARSHIP BENEFITS THROUGH THE NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND. IN ADDITION, I WILL BE ELIGIBLE FOR REIMBURSEMENT OF UP TO \$760 PER YEAR FOR CERTAIN HEALTH RELATED EXPENSES.

I understand that I will not be eligible to drop dental, vision, hearing, life insurance and scholarship benefits and switch to the full reimbursement benefit until January 1, 2013.

Signature:\_\_\_\_\_ Date:\_\_\_\_\_



**\*\*\*  
Important Information About Your Prescription Drug Coverage  
\*\*\***

Effective February 1, 2012, retired members of the New York District Council of Carpenters will no longer receive prescription drug coverage through the Welfare Fund. The material below describes the ways in which this change could impact your current health plan coverage through the City of New York. Read the material carefully to determine if you would like to, or must, make a change to your current health plan coverage. An application and a rate chart are included to assist you if you wish to make a change. All requests for changes must be received in this office by Monday, December 19, 2011.

**NON-Medicare eligible retirees read this:**

- **If you are currently enrolled in HIP/HMO or GHI CBP with the Optional Rider:**  
You do not have to take any action. The Optional Riders for HIP HMO and GHI CBP/Empire BlueCross BlueShield include other benefits in addition to prescription drug coverage. The prescription drug coverage will now automatically be included with those benefits in your Optional Rider coverage. The rate chart in the enclosed material shows the cost of the Optional Rider with the prescription drug coverage. Your pension deductions will be adjusted to reflect this. If you do not want this, you must drop the entire Optional Rider - you will not be able to retain the other benefits included in the Optional Rider.
- **If you are currently enrolled in HIP/HMO or GHI CBP without the Optional Rider:**  
If you do not have the Optional Rider and you wish to have prescription drug coverage you must enroll now. The rate chart in the enclosed material shows the cost of the Optional Rider.
- **If you are currently enrolled in any other health plan:**  
If you are currently enrolled in the Prescription Drug Rider through your health plan you do not have to take any action. If you do not have the Prescription Drug Rider and you wish to have prescription drug coverage you must enroll now. The rate chart in the enclosed material shows the cost of the Prescription Drug Rider.

**Medicare eligible retirees read this:**

- **If you are currently enrolled in GHI/Empire BlueCross BlueShield Senior Care or Empire Medicare-Related Coverage without the Prescription Drug Rider:**  
You must enroll in the Prescription Drug Rider if you wish to have prescription drug coverage. The rate chart in the enclosed material shows the cost of the Prescription Drug Rider.
- **If you are currently enrolled in a Medicare HMO:**  
You do not have to take any action. The prescription drug rider will be included with your enrollment in any Medicare HMO through the City of New York. The rate chart in the enclosed material shows the cost of the Prescription Drug Rider.

**If you are not currently enrolled in a health plan through the City of New York read this:**

- **If you wish to enroll in a health plan through the City of New York:**  
Read the enclosed material carefully, complete the application and submit it to this office. Your health plan coverage will be effective February 1, 2012. Pension deductions will begin in your February 2012 pension check. If you are enrolling in a Medicare HMO you must follow the instructions in the "Medicare HMOs" box on the enclosed application.

If you wish to make any of the changes described above, to your enrollment, you must submit your application to the Health Benefits Program at the address below by December 19, 2011. Otherwise, no action is necessary.

New York City Health Benefits Program  
40 Bector Street, 3<sup>rd</sup> Floor  
New York, NY 10006  
Attn: Rx Carpenters

**Monthly Health Plan Rates**  
**for Medicare and Non-Medicare Eligible Retirees and Their Dependents**  
 (All rates are subject to change)

			Optional Rider		
			Prescription Drugs	Enhanced Schedule	Total
GHI-CBP/Empire BlueCross BlueShield	Nationwide	Basic Plan			
	Individual	90.00	\$110.00	98.83	\$118.83
	Family	0.00	200.00	17.33	217.33
GHI-CBP/Empire BlueCross BlueShield Senior Care	Nationwide (Medicare Only) (Per Person)	Basic Plan	Optional Rider		
		Prescription Drugs	365-Day Hospital	Total	
		0.00	117.00	2.87	\$119.87
HIP Prime HMO	Individual Family	Basic Plan	Optional Rider		
		Prescription Drug Rider	Appliances & Nursing	Total	
		0.00	106.88	4.43	111.31
	Family	0.00	261.78	10.88	272.66
HIP VIP Premier (Medicare Only) (Per Person)	5 Boroughs of New York, Nassau, Suffolk & Westchester Counties	Basic Plan	Prescription Drug Coverage	Total	
		0.00	118.28	118.28	
Aetna HMO	Individual	128.67	103.20	231.87	
	Family	584.97	238.40	823.37	
Aetna Golden Medicare 10 (Medicare Only) (Per Person)	NY	5 boroughs of New York City, Rockland and Westchester counties	94.80	161.30	256.10
	NJ	Entire State	78.10	167.00	245.10
	PA	Certain counties (please call plan directly)	81.00	171.80	252.80
CIGNA	Individual	252.40	133.27	385.67	
	Family	762.98	351.58	1114.57	
	Phoenix, Arizona (Medicare Only) (Per Person)	0.00	288.00	288.00	
Empire EPO	Individual	354.85	93.78	448.63	
	Family	810.58	228.82	1140.59	
Empire HMO New York	Individual	143.20	93.79	236.99	
	Family	441.88	228.82	671.01	
Empire MediBlue (Medicare Only) (Per Person)	NY	5 Boroughs of New York	0.00	108.75	108.75
		Rockland & Westchester	0.00	243.85	243.85
		Nassau	0.00	205.32	205.32
		Suffolk	0.00	281.94	281.94
Empire Medicare-Related Coverage Nationwide - (Medicare Only)	Individual	84.81	148.00	212.81	
	Family	124.13	296.90	420.13	
GHI HMO	Individual	178.38	122.54	300.90	
	Family	500.90	312.50	813.40	
GHI HMO Medicare Senior Supplement (Per Person)	Certain counties of New York State (call plan directly)		189.68	87.05	286.73
HIP PRIME POS	Individual	368.80	288.50	656.10	
	Family	885.88	680.22	1606.10	
Humana (Florida) (Medicare Only)	Individual	0.00	82.00	82.00	
	Family	0.00	164.00	164.00	
MetroPlus (MHC retirees only)	Individual	0.00	104.35	104.35	
	Family	0.00	237.50	237.50	
SecurusHorizons Health Plans (Medicare Only) (Per Person)	NY	5 Boroughs of New York	0.00	117.81	117.81
	NJ	Union County	0.00	106.70	106.70
Vytra Health Plans (Non-Medicare Retirees)	Individual	189.39	138.05	247.44	
	Family	373.49	368.88	732.47	

There is no pension deduction for the following health plans: Avmed, Elderplan and DC 37 Med-Term.



**New York City Office of Labor Relations  
Health Benefits Program**

www.nyc.gov/olr

**NY Council of Carpenters Retiree Application**

Retirees may use this form to transfer to any Non-Medicare plan or to add or drop the Optional Rider. Medicare-eligible retirees may use this form to transfer to one of the plans listed under Medicare Plans. All changes will be effective February 1, 2012. For those who want to transfer into or out of a Medicare HMO follow instructions in Section 2 (Medicare HMOs).

**Section 1. Prescription Drug Coverage Election: Check ONE box only**

- ☐ Yes, I wish to have the Optional Rider with prescription drug coverage.
- ☐ No, I do not want to have the prescription drug coverage. I understand that if I am already enrolled with the optional rider I will not retain the other benefits in the option rider package.

**Section 2. Transfer to another health plan:**

Place an "X" in the box next to the plan you choose to join (Select Only One). If more than one plan is selected, your transfer request will not be processed.

**Non-Medicare Plans**

- ☐ Aetna HMO
- ☐ CIGNA HealthCare
- ☐ Empire EPO
- ☐ Empire HMO
- ☐ GHI-CBP/Empire BlueCross BlueShield
- ☐ GHI HMO
- ☐ HIP Prime HMO
- ☐ HIP Prime POS
- ☐ MetroPlus (HHC retirees only)
- ☐ Vytra

**Medicare Plans**

- ☐ Empire Medicare-Related Coverage
- ☐ GHI/EBCBS Senior Care
- ☐ GHI HMO Medicare Senior Supplement

**Medicare HMOs**

Medicare-eligible retirees who wish to enroll in a Medicare HMO must do so DIRECTLY through the plan. Contact the Medicare HMO to request a special application. If you are presently enrolled in a Medicare HMO and are transferring to a Medicare supplemental plan, you must first disenroll from your current plan.

**Optional Benefits Rider (check one):**

- ☐ Yes, I wish to enroll with the rider
- ☐ No, I do not wish to enroll with the rider

**Section 3. Retiree Information (Please Print Clearly)**

Social Security Number		Date of Birth	
- - - - -		/ /	
Retiree Last Name		Retiree First Name	
Street Address		Apt	
City		State	Zip

I certify that the above information is correct, and I authorize the City to deduct from my retirement allowance the amount required, if any, for the cost of health coverage through the City Health Benefits Program. I understand that the Program's benefits will be coordinated with those available through Medicare or any other source.

Retiree Signature \_\_\_\_\_ Date / /

Return this form to: NYC Health Benefits Program, 40 Rector St. - 3rd Fl., NY, NY 10006.  
Attn: RX Carpenters



# NEW YORK DISTRICT COUNCIL OF CARPENTERS

## UNION TRUSTEES

Frank G. Spencer  
Co-Chairman

John Ballantyne  
Douglas J. McCarron  
Paul Tyznar

## BENEFIT FUNDS

**Joseph Epstein**  
Executive Director

395 Hudson Street  
New York, N.Y. 10014  
Telephone: (212) 366-7300  
Fax: (212) 366-7444

## MANAGEMENT TRUSTEES

David T. Meberg  
Co-Chairman

Catherine Condon  
John DeLollis  
Paul O'Brien  
Kevin O'Callaghan  
Bryan Winter

TO: City Carpenter Retirees  
FROM: Joe Epstein, Executive Director  
DATE: January 13, 2012  
RE: Revised Changes to Welfare Plan: Option 1 – Full Reimbursement Benefit --  
is not available

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By memorandum dated November 22, 2011, we advised that prescription drug coverage through the New York City District Council of Carpenters Welfare Fund (the "NYCDCC Welfare Fund") for all City Carpenter Retirees would terminate on January 31, 2012, and that you had two options with respect to your other coverage under the NYCDCC Welfare Fund. Because of a requirement by the City of New York, there will be only one option available to City Carpenter Retirees. As a result, your dental, vision, hearing, life insurance, and scholarship benefits under the NYCDCC Welfare Fund will continue and you will also be eligible for up to \$760 in reimbursement for certain health related costs. This option was described in our prior mailing as Option 2. This option will be implemented automatically. You do not need to do anything or to submit any forms. As we previously advised, your prescription drug coverage will still terminate on January 31, 2012.

Here are the important points:

1. Your dental, vision, hearing, life insurance, and scholarship benefits under the NYCDCC Welfare Fund will continue. You are not required to submit any enrollment forms to continue such coverage.
2. Your prescription drug coverage through the NYCDCC Welfare Fund will terminate on January 31, 2012. Please review our prior mailing if you have any questions about obtaining alternative prescription drug coverage.
3. You will be eligible for up to \$760 in reimbursement for certain health related costs, such as medical, hospital, dental, and prescription co-payments, deductibles and premiums. Instructions on how to claim this reimbursement will be provided shortly under separate cover.

Please do not hesitate to call the Fund Office at (800) 529-3863 or Administrative Services Only, Inc. at (877) 999-3555 if you have any questions.



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March 2012

### NOTICE REGARDING CHANGE IN GRANDFATHERED STATUS OF NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS WELFARE FUND

TO: City of New York Employees Who Are Active Participants of the New York City  
District Council of Carpenters Welfare Fund and Their Eligible Dependents

FROM: Board of Trustees

RE: Benefit Changes

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### LOSS OF GRANDFATHERED PLAN STATUS

We previously advised you of the Welfare Plan's status as a "grandfathered health plan" under the health care reform legislation known as the Patient Protection and Affordable Care Act. As of June 1, 2012, the Welfare Fund will no longer be a "grandfathered health plan" under the law.

### ADDITIONAL EXTENSION OF WELFARE FUND COVERAGE FOR ADULT CHILDREN

The Welfare Fund currently covers your eligible dependent children until the age of 26 unless he/she is eligible for coverage under another employer-sponsored health plan (other than a group health plan of a parent). Effective June 1, 2012, your eligible dependent children will be eligible for coverage under the Welfare Fund *even if* he/she is eligible for coverage under another employer-sponsored health plan.

If you have a child who is not currently covered under the Welfare Fund because he/she is eligible for health coverage through their employment or through their spouse's employment, the child may be re-enrolled in the Welfare Fund as of June 1, 2012. (Please note that the extension of coverage does not apply to your adult child's spouse or other dependents.) The enrollment form to add a dependent is available on our website ([www.nyccbf.org](http://www.nyccbf.org)) or by contacting the Fund Office.

