

**SUMMARY OF MATERIAL MODIFICATIONS
TO THE
SOUTH CENTRAL MINNESOTA ELECTRICAL WORKERS' FAMILY HEALTH PLAN
(2015 Restatement)**

IMPORTANT NOTICE TO PLAN PARTICIPANTS AND BENEFICIARIES

The Trustees of the South Central Minnesota Electrical Workers' Family Health Plan (Plan) have amended the Plan as indicated below. The new language and provisions are more fully explained in the attached replacement pages for the Plan Document/Summary Plan Description (PD/SPD).

Effective **January 1, 2016**, the Trustees have adopted Amendment No. 3 to the Plan, which adds a section regarding Eligibility for Helpers and Pre-Apprentices. This section allows a Helper or Pre-Apprentice to be eligible for coverage under the Plan under the same conditions as a Bargaining Unit Employee, provided the Plan is notified of such Helper's or Pre-Apprentice's employment.

In addition, effective **February 1, 2016**, the Trustees have adopted Amendment No. 4 to the Plan, which adds new prescription drugs programs offered by Prime Therapeutics and certain requirements applicable to prescription drug benefits as follows:

The Plan will implement a new Utilization Management Program (UMP) for non-specialty and specialty prescription drugs. Under the UMP, prescription drugs may be subject to prior authorization, step therapy, quantity limit, and targeted quantity limit requirements. These new requirements will not apply to medications you are currently taking, but may apply to future prescriptions.

All specialty drug prescriptions must be obtained through Prime Specialty Pharmacy.

The PD/SPD was also clarified to provide that the Plan will not pay benefits for any compound drug that contains any chemical that has not been approved by the Food & Drug Administration.

Please update your copy of the Plan Document to reflect the changes by inserting the attached replacement pages 6, 6A, 7, 38, 84, and 84A.

This notice merely summarizes changes to the Plan. You should not rely on this notice to determine your benefits. Contact the Plan Administrator, Alan Sturm & Associates, Inc., at (800) 247-0401 or (952) 835-3035 if you have any questions.

Other Expenses	
Infertility Treatment	Coverage provided for diagnostic work-ups and follow-ups. No coverage for hormone therapy, artificial insemination or any other direct attempt to induce or facilitate fertility or conception
Reversal of voluntary sterilization	No Coverage.
Voluntary Abortion	Covered only if life of mother is threatened or pregnancy is the result of an assault.
Cosmetic or plastic surgery	No Coverage.
Physical exams for employment or insurance purposes	No Coverage.
Health services that are Experimental or Investigational	No Coverage.
Custodial or "Rest Cures"	No Coverage.
Surgery and care associated with morbid obesity	No Coverage, except as provided in the Covered Medical Expenses Section of this booklet and subject to the Plan's coverage rules.
Prescription Drug Benefits	
Outpatient Prescription Drugs & Diabetic Supplies (Prime Therapeutics) <i>Call Plan Administrator at 800-247-0401 for further information.</i>	<p><i>Please note:</i> Copayments for prescription drugs do not count towards reaching the annual maximum out-of-pocket Coinsurance expense limit for major medical benefits.</p> <p><u>Generic Drugs</u> - Copayment of 20% of the Covered Expenses for the prescription drugs, with a minimum Copayment of \$10.00 and a maximum Copayment of \$75.00 per prescription.</p> <p><u>Brand Name Drugs</u> - Copayment of 20% of the Covered Expenses for the prescription drugs, with a minimum Copayment of \$15.00 and a maximum Copayment of \$75.00 per prescription</p> <p>Beginning February 1, 2016, the Plan will implement a new Utilization Management Program (UMP). Under the UMP, prescription drugs may be subject to prior authorization, step therapy, and quantity limit requirements.</p>

<p>Specialty Drug Program <i>To obtain a current list of these prescriptions, call Plan Administrator at 800-247-0401</i></p>	<p>Beginning February 1, 2016, all specialty drug prescriptions must be obtained through the Prime Specialty Pharmacy.</p> <p>Beginning February 1, 2016, the Plan also will implement a new Utilization Management Program (UMP). Under the UMP, specialty prescription drugs may be subject to prior authorization, step therapy, and quantity limit requirements.</p> <p>If your doctor recommends prescription quantities that exceed the quantity limits, your doctor will need to submit a prior authorization (PA) request that includes the medical reasons supporting the request to Prime Therapeutics. Your doctor can visit MyPrime.com to download the PA form.</p>
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ELIGIBILITY**SUMMARY**

This Section of the booklet describes how you and your Dependents become eligible for benefits under the Plan, and the various ways you can maintain that eligibility.

A. ELIGIBILITY DEFINITIONS

Bargaining Unit Employee - An individual who is a member of a collective bargaining unit represented by the Union and who is an active Employee of a Contributing Employer.

Benefit Month - A period of one (1) calendar month during which an individual is Covered Under the Plan because he or she has met the eligibility requirements during the corresponding Eligibility Month.

Eligibility Month - A period of one calendar month during which an individual meets the eligibility requirements necessary to provide benefit coverage during the corresponding Benefit Month as described in Paragraph B(1) below.

Helper/Pre-Apprentice - A full-time, non-excludable, employee who is registered with the State of Minnesota as an unlicensed electrician doing electrical work and who has not begun or completed an apprenticeship.

Non-Bargaining Unit Employee - An individual who is not a member of any collective bargaining unit represented by the Union and who is an Employee of a Contributing Employer.

Premium Credit Account - An account established for all Bargaining Unit Employees to determine eligibility for benefits and if Self-Contributions are required to continue benefits. If a Bargaining Unit Employee works more than the required hours to maintain coverage under the Plan, the excess Premium Credits are credited to the Bargaining Unit Employee's Premium Credit Account, up to a maximum of twelve (12) months' worth of Premium Credits.

Premium Credits - One Premium Credit is equivalent to the current dollar amount to be contributed for each hour worked by a commercial journeyman wireman under the Inside Construction and Maintenance Collective Bargaining Agreement between IBEW Local Union No. 343 and the National Electrical Contractors Association. Premium Credits are applied to provide eligibility for Employees and their Dependents. Premium Credits cannot be converted to cash.

the Eligible Employee applies in writing to return to Plan coverage within 31 days after the loss of coverage under the plan offered by the Eligible Employee's spouse's employer, and (2) the Eligible Employee and his or her Eligible Dependents otherwise meet the eligibility requirements of the Plan.

7. The Trustees reserve the right to discontinue all waivers at any time and require all Eligible Employees to immediately re-enroll in the Plan.

T. ENROLLMENT, RE-ENROLLMENT, AND PROVIDING INFORMATION

The Plan may require that Eligible Employees, Eligible Retirees, and their Dependents who wish to be covered by the Plan enroll by providing information to the Plan in a form satisfactory to the Plan. Enrollment includes periodic re-enrollment, as the Plan may require, and also providing information from time to time per the Plan's request. The information may include personal data (including, but not limited to, Social Security numbers) the Plan needs to be able to process claims for benefits and to allow the Plan to comply with governmental reporting requirements. The Plan takes precautions to protect personal information and does not ask for information not needed for its legitimate purposes. Failure to enroll, re-enroll, or provide requested information will result in suspension and/or loss of Plan coverage (See the Section entitled TERMINATION OF BENEFITS).

U. ELIGIBILITY FOR HELPERS/PRE-APPRENTICES

A Helper/Pre-Apprentice will be eligible to participate in the Plan under the same terms and conditions as Bargaining Unit Employees, as provided in this Eligibility Section.

Benefits will begin in accordance with the Table on p. 8. However, participation will not begin unless and until the Employer has notified the Plan of the Helper's/Pre-Apprentice's employment as a Helper/Pre-Apprentice and the Employer has paid the required contribution to the Plan.

D. UTILIZATION MANAGEMENT PROGRAM

Beginning February 1, 2016, Prime Therapeutics will implement a Utilization Management Program (UMP) for all prescription drugs. The UMP uses (i) prior authorization to ensure clinically appropriate use of medications, (ii) step therapy/preferred products to encourage use of clinically effective front-line (lower cost) drugs before second-line drugs, and (iii) quantity limits to regulate how often and how much of a drug can be dispensed. Some prescription drugs also may be subject to targeted quantity limits.

If you are taking prescription drugs as of February 1, 2016, you will not be subject to the prior authorization, step therapy, or quantity limit requirements for the prescription drugs you are taking on February 1, 2016. However, prior authorization, step therapy, and quantity limits may apply to your prescription drugs if you stop taking your prescribed drugs or if your drug therapy or regimen changes. Any new medications you are prescribed also may be subject to prior authorization, step therapy, and quantity limit requirements.

E. SPECIALTY DRUG PROGRAM

Beginning February 1, 2016, the Plan will implement a Specialty Drug Program. Under the Specialty Drug Program, all specialty drug prescriptions must be obtained through the Prime Specialty Pharmacy to be covered under the Plan.

The Utilization Management Program discussed above also applies to specialty prescription drugs. If you are taking specialty prescription drugs as of February 1, 2016, you will not be subject to the prior authorization, step therapy, or quantity limit requirements for the specialty prescription drugs you are taking on February 1, 2016. However, prior authorization, step therapy, and quantity limits may apply to your specialty prescription drugs if you stop taking your prescribed specialty drugs or if your drug therapy or regimen changes. Any newly prescribed specialty medications may be subject to prior authorization, step therapy, and quantity limit requirements.

F. EXCLUSIONS

Benefits are not payable under this Section for:

1. Drugs which are lawfully obtainable without a prescription, except insulin and insulin syringes;
2. Therapeutic devices or appliances, including support garments and other nonmedical substances regardless of their intended use;
3. Administration of prescription legend drugs or injectable insulin;
4. Drugs labeled "Caution - limited by federal law for investigational use" or Experimental drugs, even if the individual is charged for the Investigational or Experimental drug;
5. Any compound drug that contains any chemical that has not been approved by the Food & Drug Administration;

6. Patent medicines or drugs, or any other medicine not legally dispensed by a registered pharmacist according to the written prescription of a Physician;
7. Refilling of a prescription in excess of the number specified by a Physician or Dentist;
8. Medication dispensed during Hospital confinement including confinement in a rest home, sanitarium, extended care facility, skilled nursing home, convalescent Hospital, nursing home, or similar institution which operates on its premises a facility for dispensing pharmaceuticals;
9. Any prescription drug expense if you are enrolled in Medicare Part D;
10. Diaphragms, contraceptive jellies and ointments, foams or devices;
11. Vitamins, cosmetics and dietary aids, except where classified as "prescription legend drugs"; and
12. Any expenses whatsoever under the Prescription Drug Benefit where payment will exceed a benefit limit or maximum set forth in the Schedule of Benefits.