



INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 4
Health and Welfare, Pension, and Annuity Funds

November 2024

SUMMARY OF MATERIAL MODIFICATION

Note: This Summary of Material Modification (“SMM”) describes changes to the IUOE Local 4 Health and Welfare Plan (the “Plan”) and supplements the Summary Plan Description published January 1, 2021. It is also a supplement to the SMM that you received in October 2024 (the “Gauge”), which provided initial notice of the modification described herein. You should read this SMM carefully and retain it with a copy of your Summary Plan Description for future reference.

As of January 1, 2025, the Plan’s pharmacy benefit manager will change from CVS/Caremark to Optum Rx. **The contact information for Optum Rx is 1-855-241-2213 or www.optumrx.com.** All references in the Summary Plan Description to CVS/Caremark will be changed to Optum Rx.

The Basics

The switch of pharmacy benefit managers should have very little impact on you and your family. Copays for different tiers of drugs remain the same as before, as do the deductible for the Supplemental Plan and the annual out-of-pocket maximums. Drugs that are currently excluded under the Plan will remain excluded. Your experience will largely remain the same, except that you will receive, and need to use, new pharmacy ID cards beginning January 1, 2025. In the meantime, please keep using your current pharmacy ID card. The vast majority of members can keep going to the same pharmacies they’ve always gone to, whether it’s CVS or any other pharmacy. You can visit www.optumrx.com to confirm that your pharmacy is in the Optum Rx network.

While there are minor variances between what drugs have been on CVS/Caremark’s formulary and what drugs are on Optum’s formulary, these minor differences will only affect **1.4%** of all drugs. If a drug you are taking is affected, you will get advanced notice so your doctor can switch you to another drug that is covered on Optum’s formulary. In fact, if you take a drug currently that is not on Optum’s formulary, you will be given a grace period until April 1, 2025 to make the change, during which time you can keep taking the same drug at the same copay. If your doctor believes you need to remain on the drug you’ve been on for reasons of medical necessity beyond April 1, 2025, you will have the right to appeal coverage of that drug (see below on changes to appeal procedures).

Maintenance Medications (90-Day Supply)

Maintenance drugs should be purchased at 90-day fills at Optum Rx Home Delivery, or CVS retail stores, to avoid paying a higher stepped copay. After two courtesy 30-day fills at the standard copay, any additional fills of maintenance medications that are not made as a 90-day supply through either a CVS retail store or the Optum Rx Home Delivery service will be charged at two times (2x) the standard copay.

16 Trotter Drive
P.O. Box 680
Medway, MA 02053-0680

TEL (508) 533-1400
FAX (508) 533-1425
1-888-486-3524

www.local4funds.org

To fill your prescription through Optum Rx Home Delivery, take the following steps.

- Ask your physician to prescribe up to a 90-day supply of your maintenance medication(s).
- The first time you use mail order for each prescription, be sure to request two prescriptions: one for a 30-day supply that you can fill at a local participating pharmacy, and one for a 90-day supply that you can order by mail.
- Use the mail service claim form available on the Fund's website at www.local4funds.org or call Optum Rx for a form.
- Mail the completed form and prescription(s) with credit card information or a personal check for your copay and/or deductible, if applicable, to the address shown on the form.
- To order refills, use the return envelope you receive back with your prescription, or call Optum Rx at 1-855-241-2213 to re-order by phone. Or re-order online at www.optumrx.com.
- Specialty drugs are limited to a 30-day fill and may not be purchased through the Mail Service Program.
- You can also set up your prescription so that Optum Rx will automatically re-order for you and contact your doctor when the prescription is about to expire.
- If you choose to re-order yourself, re-order your prescription three weeks in advance of the date your current prescription runs out. You can also sign up for refill reminders via phone, text or email from Optum Rx.
- If you have questions about the refill process, you can call Optum Rx for 24-hour assistance.

Specialty Medications (30-Day Supply)

Optum Specialty Pharmacy provides 24-hour access to specialty pharmacy services and will coordinate the delivery of a 30-day supply of specialty medications to your home. Specialty drugs can only be purchased in 30-day supply increments. Call **1-855-427-4682** or visit specialty.optumrx.com to verify your coverage of medications for:

- Cancer
- Crohn's and Ulcerative Colitis
- Hepatitis and liver disease
- Inflammatory arthritis and skin conditions
- Multiple Sclerosis
- Neurological conditions
- Respiratory disorders
- And more

Optum Specialty Pharmacy provides clinical expertise by specialty trained pharmacists with services including:

- An individualized patient care plan
- Verbal and/or written education about medications

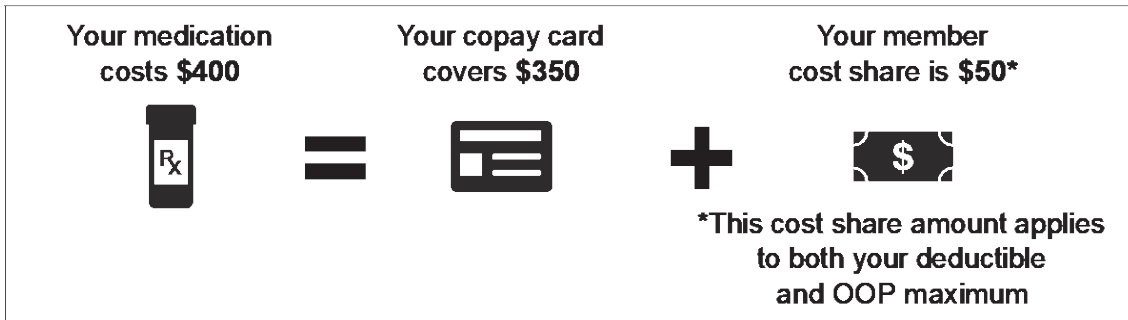
- Medication self-administration training
- Communication with your physician
- Manage your account and request refills online, anywhere and anytime
- Free shipping for delivery of all medications and medication supplies
- Assistance in identifying financial assistance programs
- Clinicians available 24/7 for emergency support

The PrudentRx copay program for specialty medications will be replaced as of January 1, 2025 with Optum Rx’s variable copay assistance program. The 30% coinsurance penalty for not purchasing certain specialty drugs through the PrudentRx program will be removed at that time; however, the specialty drug copay of \$200 will remain for those that do not sign up through Optum’s variable copay assistance program, which utilizes copay cards.

Copay cards from drug manufacturers can lower your prescription drug out-of-pocket (OOP) costs, but there may be limits on how much you can save each year. If you use a copay card to pay for your prescription(s), the amount covered by the copay card will not count toward your deductible or OOP maximum. Only your OOP costs will be applied to your deductible and OOP maximum.

In the example below, your copay card covers \$350 of your medication cost of \$400. Your member cost share of \$50 is the only amount that counts toward your deductible and OOP maximum.

How it works:



Diabetes Patients

The CVS Transform Diabetes program will be discontinued as of December 31, 2024 but will be replaced with new programs for diabetes management (including the Optum Rx Diabetes Management Program and the new Local 4 Life program, in conjunction with TrestleTree). If you have any questions about this change, please contact the Funds Office at 508-533-1400. Participants can continue to receive a free blood glucose meter and free test strips if they are diagnosed with diabetes. Call Optum Rx at 1-855-241-2213 to sign up to receive a meter and test strips. You may receive one meter as part of your pharmacy benefit every three years.

Claims and Appeals

If you want to send a claim to Optum Rx for your purchase of medications from an out-of-network pharmacy, you may send it to the following address:

Optum Rx Claims Department
PO Box 650334
Dallas, TX 75265-0334

As of January 1, 2025, appeals of prior authorization denials will no longer be handled by the Funds Office and/or the Board of Trustees. All appeals will be handled solely by Optum Rx. You, your provider, or an appointed representative like an attorney or family member can file a first-level standard or urgent appeal within 180 calendar days from the date of an adverse benefit decision. Otherwise, the decision will be final. To appeal, send written comments, documents or other information to be considered to:

Optum Rx Appeals Coordinator
PO Box 2975
Mission, KS 66201

Phone: 1-888-403-3398
Fax: 1-877-239-4565

First level appeals can take up to 30 calendar days from when your request is received. You will receive written notice of the decision. In some cases, rush appeals can be reviewed, and a decision could be made within 72 hours. Generally, you can request an urgent decision for these reasons:

- Life, health or ability to function would be in jeopardy based on layperson's judgement
- You may be subject to severe pain without the treatment or care requested in the opinion of a clinician who is aware of your condition.

If your appeal is denied, you will receive a notice from Optum Rx that includes: (1) the specific reason for the denial; (2) a description of any additional information or material necessary to perfect the claim and an explanation of why the material is necessary; (3) if an internal rule, guideline, or protocol was relied upon, a statement of the specific rule, guideline, or protocol, or a copy of such, without charge and upon request; (4) if the denial is based on a medical necessity or experimental treatment or similar exclusion or limitation, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical condition, or a statement that such explanation will be provided without charge on request; (5) reference to the specific Plan provision on which the denial is based, if applicable; and (6) a statement describing your right to bring a civil action under ERISA Section 502(a), including a description of any contractual limitations on the time in which you may bring suit.

If you are not satisfied with the first-level appeal decision, you have the right to request

a second-level appeal to an independent medical examiner. Your second-level appeal request must be submitted to Optum Rx, in the same manner as detailed above, within 60 days from the receipt of the first-level appeal decision. The notice of the second-level appeal decision will contain all of the same information as listed above for a first-level appeal.

No civil action may be brought unless you exhaust your internal appeals within the Plan. If your second-level appeal is denied, you have the legal right to bring a civil action under ERISA Section 502(a) within one year of the date of the letter informing you of the denial of the second-level appeal. You also have the right to seek an external clinical appeal.

You or your prescriber can get appeals information, including additional information on external appeal rights, by calling the Optum Rx Appeals Coordinator at 1-800-460-5685. You are not required to bear any costs, including filing fees, when requesting a case to be sent for external review.

Thank You

We appreciate your patience and understanding as we begin the Plan's new partnership with Optum Rx. We anticipate that this new partnership will help contain costs to benefit the Plan and its participants in the future, and we expect that you will receive the same excellent level of service that you have come to expect – and deserve – from the Plan and its partners. Please feel free to contact the Funds Office at 508-533-1400, Option 3, with any questions or concerns.

Sincerely,

Your Board of Trustees

Michael J. Bowes, Chairman
Angelo Colasante
Paul C. DiMinico
David B. Marr, Jr.
James Reger
David F. Shea, Jr.

IUOE Local 4

Michael J. Bowes, Business Manager

Administrator

Gregory A. Geiman, Esq.