



Operating Engineers Local 825 Fund Service Facilities

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June 1, 2020

Re: 2020 Summary of Benefits and Coverage

Dear Participant and Family:

Enclosed are 2020 Summary of Benefits and Coverage (SBC) for each of the four benefit coverage options offered under the International Union of Operating Engineers Local 825 Welfare Plan (Plan). Each SBC is intended to comply with the applicable disclosure requirements under the Patient Protection and Affordable Care Act (ACA). Please review the SBCs carefully and share them with your family members who are eligible for Plan coverage.

Generally speaking, a SBC is designed to help people who may be shopping for health coverage on state or federal health care exchanges which opened in 2014. To this end, a SBC is designed so that individuals can conduct an “apples to apples” assessment of the material benefits (office visits, chiropractic care and prescription drugs, for example) and costs when comparing different health plan coverage. However, the ACA has some very strict disclosure requirements for the SBC—the maximum number of pages, the font size, the colors, etc. For that reason, we are not allowed to customize much of the enclosed SBCs and, therefore, some aspects of each SBC may not be relevant to the respective benefit coverage option available under the Plan.

The ACA requires that health plans providing multiple benefit options distribute a separate SBC for each option. Accordingly, a separate SBC is enclosed for Level 1, Level 2, Level 3 and Level 4 under the Plan’s level of benefit program. For the health benefits included in the SBC, Level 2 includes all benefits in Level 1 plus eye care, Level 3 includes all benefits in Levels 1 and 2 plus dental care, and Level 4 includes all benefits in Levels 1, 2 and 3 plus prescription drug coverage.

Remember, each SBC is only a summary of the relevant benefit coverage option available under the Plan. For detailed information about the benefits provided by this Plan, we recommend that you visit the Plan’s website (www.825funds.org) and the materials the Plan has created for you – the Summary Plan Description (SPD), Summaries of Material Modification, and other benefit materials that you are used to seeing from the Plan and our health care partners.

SBC Examples

Each SBC includes three examples—one for having a baby, one for managing type 2 diabetes and one for treating a simple fracture. The examples show the health care costs for you and the Plan that are involved with receiving care for each of these three situations.

As you read these examples, it’s very important to keep in mind that the costs shown are national averages; they do not reflect what the actual services might cost where you live. Also, your doctor might choose a different course of treatment than what is used to create the example costs. Or your doctor could be a Non-PPO Provider—the examples only show costs of PPO Providers. There are lots of ways that your costs may be different than what is shown in the examples even though you are dealing with the same condition—type 2 diabetes, for example.

These examples are included in each SBC to help you compare how different health plans might cover the same condition—**not for predicting your own actual health care expenses.**

SBC Terms

You may find that each SBC discusses the Plan's benefits in ways that may seem unfamiliar to you. For example, a SBC might use different terms than you are used to seeing when talking about the benefits available under the Plan. And there's something called a "Glossary" mentioned in each SBC. The Glossary gives definitions of common health insurance terms. Unfortunately, it's a national glossary and cannot be customized by the Plan.

If you read the attached SBCs or the Glossaries therein and anything seems confusing or doesn't quite line up with the way the Plan works, we suggest that you go to the Plan's website: www.825funds.org, the SPD and the other benefit materials that you get from the Plan.

For More Information

If you have any questions about the benefit coverage options offered under Plan, please call the Fund Office at (973) 671-6800.

If you have general questions about the attached SBCs, you may want to contact the Employee Benefits Security Administration of the U.S. Department of Labor at (866) 444-3272 or www.dol.gov/ebsa, or the U.S. Department of Health and Human Services at (877) 267-2323 Ext. 61565 or www.cciio.cms.gov.

This notice and the enclosed SBCs contain highlights of certain features of the Plan's benefit coverage options. Full details of these benefits are contained in the Plan's SPD and other official plan documents (collectively "Official Plan Documents"). If there is a discrepancy between the attached SBCs (or this letter) and the Official Plan Documents, the Official Plan Documents will govern in all cases. The Trustees have the sole and absolute discretion and reserve the right to amend, modify, or terminate the Plan at any time. Please keep the SBCs with the SPD for easy reference. Receipt of this document does not constitute a determination of your eligibility under the Plan.

Sincerely,

The Board of Trustees
Operating Engineers Local 825 Welfare Fund

Statement of Grandfathered Status

The Board of Trustees believes that the Plan is a "grandfathered health plan" under the ACA. As permitted by the ACA, 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 ACA 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 ACA, for example, the elimination of lifetime limits on benefits and extension of coverage to dependent children until age 26.

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 (973) 671-6800.

You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (866) 444-3272 or <http://www.dol.gov/ebsa/healthreform/>. This website has a table summarizing which protections do and do not apply to grandfathered health plans.