

NEW YORK CITY DISTRICT COUNCIL OF CARPENTERS

UNION TRUSTEES

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ACTION REQUIRED BEFORE MARCH 26, 2016.

Please read this letter and the enclosures very carefully. These documents provide important information regarding the termination of prescription drug coverage under the New York City District Council of Carpenters Welfare Fund (the "Welfare Fund" or the "Fund") for all participants of the Fund who are employed by the City of New York ("City Carpenters"). The last day of Welfare Fund prescription drug benefits for City Carpenters will be **April 30, 2016**. These documents also explain how to elect the Optional Rider with Prescription Drug Coverage through the City of New York for prescription drug coverage beginning on May 1, 2016. Your election form must be returned to the NYC Health Benefits Program **by no later than March 26, 2016** in order to have prescription coverage as of May 1, 2016.

February 2016

Re: Termination of Prescription Drug Benefit as of April 30, 2016 and
Special Enrollment Period to Elect a Prescription Rider through March 26, 2016

Dear :

This letter is to notify you that the Welfare Fund will cease offering prescription drug benefits after April 30, 2016, and to explain the steps you need to take to obtain alternative prescription drug coverage beginning on May 1, 2016.

I. What change is being made to your plan?

Effective May 1, 2016, the Welfare Fund will no longer provide prescription drug benefits to City Carpenters. A Summary of Material Modification ("SMM") describing this change is enclosed herewith. As a result of this change, the City of New York is offering a **special enrollment period now through March 26, 2016** during which you can elect the Optional Rider with Prescription Drug Coverage (the "Rider") for prescription drug coverage from the City of New York beginning on May 1, 2016. The application form provided by the City of New York, as well as the rate chart for plan costs are enclosed. If you do not return the application form to the NYC Health Benefits Program by March

26, 2016, you will not have any prescription drug coverage on or after May 1, 2016 (unless you have such coverage through a family member or other employment), and you will have to wait until the Annual Fall Transfer Period to add the Rider for prescription drug coverage beginning January 1, 2017.

II. Why is this change being made?

City Carpenters are currently required to pay a premium of \$171 per month for prescription drug coverage through the Welfare Fund. This number has increased periodically since 2012. The Welfare Fund's actuaries and consultants determined that the premium would have to increase by approximately 88% (from \$171 per month to \$321 per month) as of January 1, 2016 for the Welfare Fund to be able to continue offering the prescription drug benefit to City Carpenters. In addition, the actuaries and consultants advised that the premium would likely continue to increase each year. As a result, it was determined that the prescription drug benefit had become cost-prohibitive and that the City Carpenter prescription drug benefit should be terminated. The NYC District Council of Carpenters has arranged for the City to provide a special enrollment period for City Carpenters to elect the Rider so that you have alternative prescription drug coverage beginning on May 1, 2016.

III. Are you now eligible for the Active City Carpenters' reimbursement plan since you will no longer have access to prescription drug coverage through the Fund?

Yes. Since 2011, City Carpenters who have not elected the prescription drug benefit through the Welfare Fund have been eligible for a reimbursement of their deductibles and co-payments. Beginning on May 1, 2016, all Active City Carpenters will be eligible for reimbursement. For 2016, the amount available for reimbursement is \$921 per year for Active City Carpenters. That amount is subject to change on an annual basis. Additionally, the expenses eligible for reimbursement will now also include prescription drug costs in addition to deductibles and co-payments. **(*Please note that to be eligible for reimbursement of prescription drug costs, you must submit proof that you are enrolled in a health plan that satisfies "minimum value" requirements in accordance with the Affordable Care Act. Most City health plans do meet this requirement, but be aware that there are a select few that do not. Please check with the City if you have questions on whether your plan satisfies "minimum value" requirements.)** To learn more about the reimbursement plan and how to enroll, please contact Administrative Services Only at (800) 537-1238.

IV. If you choose not to enroll in a new prescription drug plan, will you have any other options to help you with prescription costs?

Yes. The Welfare Fund is automatically enrolling all Active City Carpenters in a prescription drug discount program that will be managed by Express Scripts. This discount program will be effective May 1, 2016. Under this plan, you will be eligible for a discounted cost for covered prescriptions at participating retail pharmacies and through home delivery from the Express Scripts Pharmacy. You will soon receive a welcome letter and ID card from Express Scripts in the mail. For more information about this discount program, you can contact Express Scripts at (800) 939-2091. ***Please note that this is a discount program only and not a prescription drug coverage plan. You will be responsible for all discounted costs.**

Sincerely,

NYCDCC Welfare Fund

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February 2016

SUMMARY OF MATERIAL MODIFICATION TO THE NYCDCC WELFARE FUND PLAN FOR EMPLOYEES OF THE CITY OF NEW YORK

TO: NYCDCC Active City Carpenters

FROM: Board of Trustees

RE: Termination of Prescription Drug Benefit

This Summary of Material Modification (“SMM”) is intended to notify you of important changes to the New York City District Council of Carpenters Welfare Fund (the “Welfare Fund” or the “Fund”) Summary Plan Descriptions (“SPD”) and prior SMMs that were previously sent to you. Please read this SMM carefully and share it with your family.

Termination of NYCDCC Welfare Fund Prescription Drug Benefit for Active City Carpenters

The Welfare Fund will cease offering prescription drug benefits to City Carpenters after April 30, 2016. This means that, as of May 1, 2016, all City Carpenters who are currently enrolled in the prescription drug plan will need to enroll in a new prescription drug plan if they wish to continue receiving prescription drug coverage.

The City is offering a special enrollment period from now until March 26, 2016 so that you can have prescription drug coverage effective May 1, 2016. This special enrollment period is available to all City Carpenters regardless of whether or not you currently have Welfare Fund prescription drug coverage.

NYCDCC Discount Copayment Program for Active City Carpenters

All Active City Carpenters, whether you currently have prescription drug coverage or not, will automatically be enrolled in a discount program managed by Express Scripts. This discount program will be effective **May 1, 2016**. Under this plan, you will pay a discounted cost for covered prescriptions at participating retail pharmacies and through home delivery from the Express Scripts Pharmacy. You will soon receive a welcome letter and ID card from Express Scripts in the mail. If you would like to learn more about the discount program, you can contact Express Scripts at (800)

939-2091. ***Please note that this is a discount program only and not a prescription drug coverage plan. You will be responsible for all discounted costs.**

Active City Carpenters Reimbursement Plan

Since 2011, City Carpenters who have not elected prescription coverage through the Welfare Fund have been eligible for a reimbursement of their deductibles and co-payments. Beginning on May 1, 2016, all Active City Carpenters will be eligible for reimbursement. For 2016, the amount available for reimbursement is \$921 per year for Active City Carpenters. That amount is subject to change on an annual basis. Additionally, the expenses eligible for reimbursement will now also include prescription drug costs in addition to deductibles and co-payments. **(*Please note that to be eligible for reimbursement of prescription drug costs, you must submit proof that you are enrolled in a health plan that satisfies “minimum value” requirements in accordance with the Affordable Care Act. Most City health plans do meet this requirement, but be aware that there are a select few that do not. Please check with the City if you have questions on whether your plan satisfies “minimum value” requirements.)** To learn more about the reimbursement plan and how to enroll, please contact Administrative Services Only at (800) 537-1238.

If you have any questions, please contact the Fund Office at (212) 366-7300, or (800) 529-3863. Member Services representatives are available to assist you Monday through Thursday from 8:00 a.m. to 5:30 p.m. and Friday from 8:00 a.m. to 5:00 p.m.



New York City Office of Labor Relations Health Benefits Program

www.nyc.gov/hbp

NY Council of Carpenters Application for Active Employees

Active employees must use this form to elect to add or drop the Optional Rider.

All changes will be effective May 1, 2016.

This form must be returned no later than March 26, 2016 to the address below. If no response is received, those currently enrolled in the Basic Plan will remain in the Basic Plan. Those who currently have the carve out rider will be changed to full rider. Please refer to the enclosed rate chart for plan costs.

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 wish to have the prescription drug coverage. I understand that I will be enrolled in the Basic Plan.

Section 2. Place an "X" in the box next to your current health plan (Select Only One).

- Aetna EPO
- CIGNA HealthCare
- Empire EPO
- Empire HMO
- GHI-CBP/Empire BlueCross BlueShield
- GHI HMO
- HIP Prime HMO
- HIP Prime POS
- MetroPlus Gold
- Vytra Health Plans

Section 3. Employee Information (Please Print Clearly)

Social Security Number/Employee ID		Date of Birth / /		Agency Name (Not Division)	
Last Name			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 paycheck the amount required, if any, for the cost of health coverage through the New York City Health Benefits Program. I understand that I can change the health plan and add or drop the Optional Rider during Annual Fall Transfer Period.

Employee Signature: _____

Date: / /

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

EMPLOYEE Health Plan Rates as of July 1, 2015 (NOTE: Rates are subject to change)

These rates are in effect as of the first full payroll period in July 2015

WEEKLY

INDIVIDUAL	Aetna EPO	CIGNA	DC37 Med Team	Empire HMO	Empire EPO	GHI-CBP/EBCBS	GHI HMO	HIP HMO	HIP POS	MetroPlus	Vytra
Basic	\$36.79	\$139.39	\$0.00	\$49.45	\$128.75	\$0.00	\$24.73	\$0.00	\$151.37	\$0.00	\$17.52
Prescription Drugs	\$53.77	\$51.79	\$0.00	\$36.06	\$36.06	\$27.54	\$44.96	\$33.98	\$121.44	\$35.15	\$39.02
Rider Other*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.47	\$0.00	\$1.32	\$0.00	\$0.00	\$0.00
Total (Basic + Rider)	\$90.56	\$191.18	\$0.00	\$85.51	\$164.81	\$29.01	\$69.69	\$35.29	\$272.82	\$35.15	\$56.54
FAMILY	Aetna EPO	CIGNA	DC37 Med Team	Empire HMO	Empire EPO	GHI-CBP/EBCBS	GHI HMO	HIP HMO	HIP POS	MetroPlus	Vytra
Basic	\$188.29	\$379.29	\$0.00	\$149.33	\$328.88	\$0.00	\$76.87	\$0.00	\$370.92	\$0.00	\$71.64
Prescription Drugs	\$136.21	\$155.04	\$0.00	\$88.40	\$88.40	\$49.34	\$114.64	\$83.24	\$295.85	\$80.74	\$101.47
Rider Other*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3.73	\$0.00	\$3.23	\$0.00	\$0.00	\$0.00
Total (Basic + Rider)	\$324.50	\$534.33	\$0.00	\$237.72	\$417.28	\$53.08	\$191.50	\$86.47	\$666.76	\$80.74	\$173.11

* For GHI-CBP/EBCBS, "Rider Other" is for enhanced major medical coverage. For HIP HMO, "Rider Other" is for private duty nursing & durable medical equipment.

BI-WEEKLY

INDIVIDUAL	Aetna EPO	CIGNA	DC37 Med Team	Empire HMO	Empire EPO	GHI-CBP/EBCBS	GHI HMO	HIP HMO	HIP POS	MetroPlus	Vytra
Basic	\$73.57	\$278.79	\$0.00	\$98.90	\$257.49	\$0.00	\$49.45	\$0.00	\$302.75	\$0.00	\$35.05
Prescription Drugs	\$107.55	\$103.57	\$0.00	\$72.12	\$72.12	\$55.08	\$89.93	\$67.95	\$242.88	\$70.30	\$78.03
Rider Other*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.95	\$0.00	\$2.63	\$0.00	\$0.00	\$0.00
Total (Basic + Rider)	\$181.12	\$382.36	\$0.00	\$171.02	\$329.61	\$58.03	\$139.38	\$70.59	\$545.63	\$70.30	\$113.08
FAMILY	Aetna EPO	CIGNA	DC37 Med Team	Empire HMO	Empire EPO	GHI-CBP/EBCBS	GHI HMO	HIP HMO	HIP POS	MetroPlus	Vytra
Basic	\$376.57	\$758.58	\$0.00	\$298.66	\$657.77	\$0.00	\$153.73	\$0.00	\$741.83	\$0.00	\$143.28
Prescription Drugs	\$272.43	\$310.09	\$0.00	\$176.79	\$176.79	\$98.69	\$229.27	\$166.49	\$591.69	\$161.47	\$202.94
Rider Other*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7.46	\$0.00	\$6.45	\$0.00	\$0.00	\$0.00
Total (Basic + Rider)	\$649.00	\$1,068.66	\$0.00	\$475.45	\$834.56	\$106.15	\$383.01	\$172.94	\$1,333.53	\$161.47	\$346.22

* For GHI-CBP/EBCBS, "Rider Other" is for enhanced major medical coverage. For HIP HMO, "Rider Other" is for private duty nursing & durable medical equipment.

SEMI-MONTHLY

INDIVIDUAL	Aetna EPO	CIGNA	DC37 Med Team	Empire HMO	Empire EPO	GHI-CBP/EBCBS	GHI HMO	HIP HMO	HIP POS	MetroPlus	Vytra
Basic	\$80.14	\$303.68	\$0.00	\$107.73	\$280.49	\$0.00	\$53.87	\$0.00	\$329.78	\$0.00	\$38.18
Prescription Drugs	\$117.15	\$112.82	\$0.00	\$78.56	\$78.56	\$60.00	\$97.96	\$74.02	\$264.57	\$76.58	\$85.00
Rider Other*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3.21	\$0.00	\$2.87	\$0.00	\$0.00	\$0.00
Total (Basic + Rider)	\$197.29	\$416.50	\$0.00	\$186.29	\$359.04	\$63.21	\$151.83	\$76.89	\$594.35	\$76.58	\$123.18
FAMILY	Aetna EPO	CIGNA	DC37 Med Team	Empire HMO	Empire EPO	GHI-CBP/EBCBS	GHI HMO	HIP HMO	HIP POS	MetroPlus	Vytra
Basic	\$410.20	\$826.31	\$0.00	\$325.33	\$716.50	\$0.00	\$167.46	\$0.00	\$808.07	\$0.00	\$156.08
Prescription Drugs	\$296.75	\$337.78	\$0.00	\$192.58	\$192.58	\$107.50	\$249.75	\$181.35	\$644.52	\$175.89	\$221.06
Rider Other*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8.13	\$0.00	\$7.03	\$0.00	\$0.00	\$0.00
Total (Basic + Rider)	\$706.95	\$1,164.08	\$0.00	\$517.90	\$909.07	\$115.63	\$417.21	\$188.38	\$1,452.59	\$175.89	\$377.14

* For GHI-CBP/EBCBS, "Rider Other" is for enhanced major medical coverage. For HIP HMO, "Rider Other" is for private duty nursing & durable medical equipment.