



AUTOMOBILE MECHANICS' LOCAL 701 WELFARE FUND

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IMPORTANT BENEFIT PLAN CHANGES

The Trustees of the Automobile Mechanics' Local No. 701 Union and Industry Welfare Fund have made certain changes to the **Premier Plus**, **Premier**, **Classic Bargained**, **Pre-Medicare Retiree**, and **Optional Benefits** plans as documented in the applicable combination Summary Plan Description and Plan Document ("SPD/Plan") that was previously provided to you. Each change is summarized below and is effective as of the date noted below.

1. Effective November 1, 2016, the Trustees contracted with Teladoc, Inc. to provide certain telemedicine services to Plan participants, as described below.
2. Effective January 1, 2017, the Trustees will adjust the prescription drug out-of-pocket maximum amounts for each plan design so that the combined out-of-pocket maximum amounts for major medical and prescription drug benefits equal the maximum amounts permitted under the Affordable Care Act (ACA), as described in more detail below.
3. Effective January 1, 2017, 5 Star Life Insurance Company will offer accident coverage under the Optional Benefits Plan. New enrollees in the Plan may not elect Aflac accident coverage as of January 1, 2017.

SUMMARY OF MATERIAL MODIFICATIONS

This document, referred to as a “summary of material modifications,” is intended to supplement the SPD/Plan. You should retain this summary of material modifications with your copy of the SPD/Plan. If you have any questions, you may contact the Fund Office (708) 482-0110 ~ Toll Free (800) 704-6270.

1. Coverage of telemedicine services

The Plan’s Trustees recently contracted with Teladoc, Inc., a leading provider of telehealth services, to provide telemedicine services to the Plan’s participants and their dependents. Specifically, effective November 1, 2016, Plan participants will have access to telephone and web-based video consultations with general practitioner physicians and dermatologists through Teladoc’s network of physicians. You will receive additional information by mail from Teladoc with details on how to access this service.

There is no fee for Plan participants to use this service. Note that only general physician and dermatology consultations provided by Teladoc are covered. In addition, the Plan does not cover or pay for telemedicine services furnished by any vendor other than Teladoc.

2. Changes to the Plan’s prescription drug out-of-pocket maximum amounts

Effective January 1, 2017, the Trustees will adjust the calendar year out-of-pocket maximum amounts for prescription drugs in each plan design so that the combined out-of-pocket maximum amounts for major medical and prescription drug benefits equal the maximum amounts permitted under the Affordable Care Act (ACA). The out-of-pocket maximum amounts for major medical benefits will remain unchanged. When you and/or family reach the out-of-pocket maximum amount for either major medical or prescription drug benefits during a calendar year, the Plan pays 100% of the additional covered expenses for that calendar year, up to any applicable Plan maximums.

Effective January 1, 2017, the applicable out-of-pocket maximum amounts are as follows:

A. For the Premier Plus Plan:

Comprehensive Medical Benefit (Active Employees and their Dependents)	
Calendar Year Out-of-Pocket Maximums	
PPO Maximum	
– Major Medical	• \$2,500 per person; \$5,000 per family
– Prescription Drug	• \$4,650 per person; \$9,300 per family

B. For the Premier Plan:

Comprehensive Medical Benefit (Active Employees and their Dependents)	
Calendar Year Out-of-Pocket Maximums	
PPO Maximum	
– Major Medical	• \$5,000 per person; \$10,000 per family
– Prescription Drug	• \$2,150 per person; \$4,300 per family

C. For the Classic Bargained Plan:

Comprehensive Medical Benefit (Active Employees and their Dependents)	
Calendar Year Out-of-Pocket Maximums	
PPO Maximum	
– Major Medical	• \$5,000 per person; \$10,000 per family
– Prescription Drug	• \$2,150 per person; \$4,300 per family

D. For the Pre-Medicare Retiree Plan

Comprehensive Medical Benefit (Retirees and their Dependent Spouse)	
Calendar Year Out-of-Pocket Maximums for Retirees and their Dependent Spouse	
PPO Maximum	
– Major Medical	• \$2,500 per person; \$5,000 per family
– Prescription Drug	• \$4,650 per person; \$9,300 per family

3. **Change to the Optional Benefits plan’s accident coverage carrier**

Effective January 1, 2017, 5 Star Life Insurance Company will offer accident coverage under the Optional Benefits Plan. New enrollees in the Plan may not elect Aflac accident coverage as of January 1, 2017. Participants who elected and remain enrolled in Aflac accident insurance at the end of 2016 may continue Aflac accident insurance coverage subject to the terms set forth in their individual policy of insurance.