



# 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 previously made certain changes to the **Premier Plus**, **Premier**, and **Pre-Medicare Retiree** plans (each, the "Plan" and collectively, the "Plans") in connection with the COVID-19 public health emergency and national emergency, which are documented in previous summaries of material modifications to the applicable combination Summary Plan Description and Plan Document ("SPD/Plan"). At the end of January, the Biden Administration announced its intention to end both the public health emergency and the national emergency. If the Biden Administration goes through with this plan, your benefits will change as described below. The Fund Office will follow up if the Biden Administration ends either the public health emergency or the national emergency on a different date and/or issues further guidance that impacts the information provided below. Capitalized terms not defined in this Notice have the meaning as defined in the SPD/Plan:

1. Certain time frames related to COBRA Continuation Coverage and claims periods due to the COVID-19 pandemic were temporarily extended. These extensions are no longer effective as of the end of the "Outbreak Period," as described below.
2. The Plans have been providing coverage for COVID-19 diagnostic testing without any cost-sharing for the duration of the public health emergency. Effective May 12, 2023, the Plans will no longer provide coverage for COVID-19 diagnostic testing without any cost-sharing. The Plans will, however, provide coverage for COVID-19 diagnostic testing in accordance with the Plans' normal cost-sharing requirements for "diagnostic services." Any COVID-19 testing that is not for diagnostic purposes (including but not necessarily limited to testing that is required for attendance at work or school or for travel purposes) will not be covered.
3. The Plans have been providing coverage for over-the-counter COVID-19 tests without any cost-sharing for the duration of the public health emergency. Effective May 12, 2023, the Plans will no longer provide coverage for over-the-counter COVID-19 tests.
4. The Plans have been providing coverage for COVID-19 vaccinations from in-network and out-of-network providers without any cost-sharing for the duration of the public health emergency. Effective May 12, 2023, the Plans will no longer provide coverage for COVID-19 vaccinations from out-of-network providers. The Plans will continue to provide coverage without cost-sharing for COVID-19 vaccinations and preventive services from in-network providers.
5. The Plans have been providing coverage for certain COVID-19 treatments (e.g., Paxlovid) from in-network and out-of-network providers without any cost-sharing for the duration of the public health emergency. Effective May 12, 2023, the Plans will cover COVID-19 treatments at the standard benefit level.
6. The Plan was previously amended to provide coverage for tele-visits and video visits through the end of the "Outbreak Period," as described below. Assuming that the Outbreak Period will end July 10, 2023, as anticipated, the Plan will eliminate coverage of tele-visits and video visits for physical therapy beginning on July 11, 2023. The Plan will otherwise continue to provide coverage for tele-visits and video visits.

## 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. End of Extensions of COBRA Continuation Coverage and Claims Periods During the COVID-19 Outbreak Period**

The time periods described below were tolled between March 1, 2020 and the earlier of (a) one year from the date on which an individual first became eligible for relief under the COVID-19 extensions or (b) the 60th day after the announcement of the end of the National Emergency that was declared for the COVID-19 pandemic (the “Outbreak Period”). Though President Biden recently signed into law legislation that ended the National Emergency as of April 10, 2023, the Department of Labor has announced in informal, verbal guidance that the end of the Outbreak Period is anticipated to be July 10, 2023 (60 days following May 11, 2023). Assuming the Outbreak Period ends July 10, 2023, as anticipated, the extensions will no longer apply to the following deadlines beginning July 10, 2023:

- The time period for you to enroll your Dependents in the Plan after you have a life event, such as getting married or having a baby (i.e., 90 days after such life event) or after losing coverage under another group health plan (i.e., 63 days after such loss of coverage) or losing Medicaid or CHIP or eligibility for premium assistance under Medicaid or CHIP (i.e., 60 days after such loss of eligibility or coverage)
- The time period for you to notify the Plan of a qualifying event that would make you eligible for continuation coverage under the Consolidated Omnibus Budget Reconciliation Act (“COBRA”), such as a divorce or separation (60 days after the qualifying event)
- The 14-day time period for the Plan to send you a COBRA election notice once it learns of a qualifying event that you report or that your employer reports (such as a reduction in hours, layoff or termination for reasons other than gross misconduct)
- The time period for you to elect COBRA continuation coverage (60 days after you receive the COBRA election notice)
- The time period for you to pay your COBRA premiums if you have elected COBRA continuation coverage (45 days for the initial premium, by the first of the month for each month of coverage thereafter subject to a 30-day grace period)
- The time period to file a benefit claim (generally 1 year from the date of service)
- The time period to appeal the denial of a benefit claim or an adverse benefit determination (generally 180 days after the denial of the claim)
- The time period to seek an external review if the denial of your benefit claim involved medical judgment (generally 4 months from the denial of the claim)
- The time period to submit information necessary to perfect your claim for external review

### ***Example – How this Impacts Enrollments For Life Events***

If you got married May 1, 2022 and wish to enroll your spouse in the Plan, you have until 90 days after May 1, 2023 (or until July 30, 2023) to enroll your spouse under the COVID-19 extensions. If you got married, or get married, any time between July 11, 2022-July 10, 2023, you have until 90 days following July 10, 2023 (or until October 8, 2023) to enroll your spouse in the Plan under the COVID-19 extensions. If you get married any time after July 10, 2023, the normal time periods will apply, and you will have 90 days from the date of your marriage to enroll your spouse in the Plan.

### ***Example – How this Impacts Time To File and Appeal Benefit Claims***

If you received outpatient medical treatment on May 1, 2022, you have 1 year following May 1, 2023 (or until April 30, 2024) to file a claim for benefits related to that treatment under the COVID-19 extensions. If you received outpatient medical treatment, or if you receive outpatient medical treatment, any time between July 11, 2022-July 10, 2023, you have until 1 year following July 10, 2023 (or until July 9, 2024) to file a claim for benefits related to that treatment under the COVID-19 extensions. If you receive outpatient medical treatment any time after July 10, 2023, the normal time periods will apply and you will have 1 year following the date you receive services to file a claim.

If you submitted a claim that was denied on May 1, 2022, you have until 180 days following May 1, 2023 (or until October 28, 2023) to file an appeal. If you submitted a claim that was denied any time between July 11, 2022-July 10, 2023, you have until 180 days following July 10, 2023 (or until January 6, 2024) to file an appeal. If you submit a claim any time after July 10, 2023, the normal time periods will apply and you will have 180 days following the date of denial to file an appeal.

### ***Example – How this Impacts Time To Enroll in COBRA Continuation Coverage***

If you divorced your spouse and they were sent a COBRA election notice on May 1, 2022, they will have 60 days following May 1, 2023 (or until August 30, 2023) to elect COBRA continuation coverage. If you divorced, or divorce, your spouse and they receive a COBRA election notice any time between July 11, 2022-July 10, 2023, they will have until 60 days following July 10, 2023 (or until September 8, 2023) to elect COBRA continuation coverage under the COVID-19 extensions. If you divorce your spouse and they receive a COBRA election notice any time after July 10, 2023, the normal time periods will apply and they will have 60 days following receipt of the COBRA notice to elect coverage.

### ***Example – How this Impacts The Time To Pay COBRA Premiums***

Under the Plan's written terms, premiums for COBRA coverage are due on the first day of the month of coverage (e.g., premiums are due May 1 for COBRA coverage in May). You generally have a 30-day grace period for existing COBRA elections (45-day for initial COBRA coverage elections) to pay the premium before COBRA coverage is terminated. If you do not pay the premium by the end of the grace period, your COBRA coverage is terminated ***retroactively*** to the first of the month for which you failed to pay the premium.

However, despite this general rule, if, for example, you elected COBRA continuation coverage effective as of January 1, 2023, and failed to make the May 1, 2023 payment or any subsequent payments, you will have until 30 days after July 10, 2023 (or until August 9, 2023) to pay the past-due premium for May 2023 and any subsequent past-due premiums under the COVID-19 extensions. If you fail to pay all past due premiums when the COVID-19 extensions end, your coverage will be terminated ***retroactively*** to the first day of the first month of coverage for which no premium was paid, and the Plan will seek to recover any benefits that were paid on your behalf for all months of coverage for which no payment was made. Recovery will be sought from you and/or your medical (including prescription drug) or vision service providers, which could leave you with large and unexpected out-of-pocket expenses.

***However, please note that claims that come in during a month of coverage for which no COBRA premium has been received will be suspended and not paid until the premium for that month of coverage is received.*** If the premium is received, the claims will be paid retroactively.

## **2. Elimination of Coverage for COVID-19 Diagnostic Testing**

The Plans have been providing coverage for COVID-19 diagnostic testing, including services and supplies related to the furnishing or administration of the test during health care provider visits, urgent care center visits and emergency room visits, without any cost-sharing.

Effective May 12, 2023, the Plan will no longer provide coverage for COVID-19 diagnostic testing without any cost-sharing. The Plans will, however, provide coverage for COVID-19 diagnostic testing in accordance with the Plans' normal cost-sharing requirements for "diagnostic services." Any COVID-19 testing that is not for diagnostic purposes (including but not necessarily limited to testing that is required for attendance at work or school or for travel purposes) will not be covered.

## **3. Elimination of Coverage for Over-the-Counter COVID-19 Testing**

The Plans have been providing coverage for over-the-counter ("OTC") COVID-19 tests without any cost-sharing for the duration of the public health emergency.

Effective May 12, 2023, the Plans will no longer provide coverage for OTC COVID-19 tests.

## **4. Elimination of Coverage for Out-Of-Network COVID-19 Vaccinations**

The Plans have been providing coverage for COVID-19 vaccinations and preventive services, from both in-network and out-of-network providers, without any cost-sharing for the duration of the public health emergency.

Effective May 12, 2023, the Plans will no longer provide coverage for COVID-19 vaccinations and preventive services from out-of-network providers. The Plans will continue to provide coverage without cost-sharing for COVID-19 vaccinations and preventive services from in-network providers.

## **5. Elimination of 100% Coverage for Paxlovid**

The Plans have been providing coverage for certain COVID-19 treatments (e.g., Paxlovid) from in-network and out-of-network providers without any cost-sharing for the duration of the public health emergency.

Effective May 12, 2023, the Plans will cover COVID-19 treatments at the standard benefit level, subject to the standard level of cost-sharing.

## **6. Elimination of Telehealth Visits for Physical Therapy**

Through the end of the Outbreak Period, the Trustees amended the Plans to provide coverage for tele-visits and video visits in the same way as any other in-person office visit, subject to the same annual deductibles, co-pays and coinsurance.

Assuming the Outbreak Period ends on July 10, 2023, as anticipated, as of July 11, 2023, the Plan will continue to provide coverage for tele-visits and virtual visits **except** for medical expenses related to physical therapy. In other words, beginning July 11, 2023, the Plans have eliminated coverage of tele-visits and virtual visits for physical therapy. The Plans will continue to cover all other tele-visits and video visits in the same way as any other in-person office visit, subject to the same annual deductibles, co-pays and coinsurance.

### **A Final Note**

As noted above, this "summary of material modifications," is intended to supplement the SPD/Plan. Full details are contained in the SPD/Plan. The Trustees reserve the right to amend, modify, or terminate the Plan at any time and from time to time. Receipt of this document does not confer or guarantee eligibility for benefits. If you have any questions, you may contact the Fund Office (708) 482-0110 ~ Toll Free (800) 704-6270.