

CHICAGO & VICINITY LABORERS' DISTRICT COUNCIL
HEALTH & WELFARE PLAN

**Important Notice of Change to Benefits
under Active Plan 1**

April 2024

Dear Participant:

The Board of Trustees of the Chicago & Vicinity Laborers' District Council Health & Welfare Plan (the "Plan") is announcing the following benefit change under Active Plan 1:

Prior Authorization Required for GLP-1 Diabetes Medications for Active Plan 1

Effective October 1, 2023, prior authorization is required for a certain class of drugs used to treat diabetes known as glucagon-like peptide-1 (GLP-1). Commonly prescribed GLP-1 drugs include, but are not limited to, Ozempic.

If you have been prescribed a GLP-1 drug and the Plan's Pharmacy Benefits Manager, CVS, can confirm your diagnosis for type 2 diabetes, you do not need to take additional steps for prior authorization at this time. To confirm your diagnosis, CVS will review your prescription drug history to see if you have had a prescription filled for a different antidiabetic drug or a diabetic supply (e.g., test strips) in the prior 730 days. A prior prescription for a GLP-1 in your prescription drug history will not be considered confirmation of a type-2 diabetes diagnosis and you will need to have other indicators of type 2 diabetes or will have to obtain prior authorization.

If CVS cannot confirm a diagnosis of type 2 diabetes, you or your Physician must obtain approval before the Plan will cover the GLP-1 drug. If prior authorization is required, you or your Physician will need to submit documentation to confirm diagnosis. Refer to the attached Addendum for additional detail on the documentation that may be required.

Impacted Participants and their prescribing Physician will receive a notification from CVS regarding the prior authorization process and what is required to obtain approval.

Note that the Plan does not cover medications to promote weight loss or to suppress appetite, including GLP-1 drugs when used for those purposes.

Questions?

If you have questions about your benefits, please contact the Fund Office at (708) 562-0200 or (866) 906-0200 from 8:00 am to 5:00 pm, Monday through Friday.

Final Note

Please share this Notice with your family members who are eligible for coverage and keep it with your SPD/Plan, and other benefits information for easy reference. The Addendum that follows contains the section by section technical conforming revisions to the SPD/Plan for the changes described above. Capitalized terms used but not defined in this Notice have the meaning as set forth in the SPD/Plan.

Sincerely,

Board of Trustees

ADDENDUM

Conforming Changes to the SPD/Plan: Effective October 1, 2023, the following conforming changes are made to the section references contained in the Active Plan 1 SPD/Plan:

1. A new subsection entitled "Preauthorization for Certain Type 2 Diabetes Medications" is added to the SPD/Plan before the subsection entitled "Specialty Drug Program", which starts on page 33 of the SPD/Plan, as follows:

Preauthorization for Certain Type 2 Diabetes Medications

Prior authorization through CVS is required for a certain class of drugs used to treat diabetes known as Glucagon-like peptide-1 receptor agonist drugs (GLP-1s).

If CVS is unable to confirm a diagnosis of type 2 diabetes, you or your Physician must provide documentation supporting a diagnosis of diabetes to CVS. Such documentation that may be required includes:

- A history of an A1C greater than or equal to 6.5%.
- A history of a 2-hour plasma glucose greater than or equal to 200 mg/dL during oral glucose tolerance test.
- A history of symptoms of hyperglycemia (e.g., polyuria, polydipsia, polyphagia) or hyperglycemic crisis and a random plasma glucose greater than or equal to 200 mg/dL.
- A history of a fasting plasma glucose greater than or equal to 126 mg/dL.

If you fail to obtain prior authorization of the GLP-1 drug when required, the Plan will not cover the drug.

2. In the section entitled "Covered Expenses", beginning on page 35 of the Plan/SPD under the Prescription Drug Benefit Section, a new bullet is added to read as follows:
 - GLP-1s for treatment of type 2 diabetes; preauthorization may be required.
3. In the section entitled "Expenses Not Covered", beginning on page 36 of the Plan/SPD under the Prescription Drug Benefit Section, a new bullet is added to read as follows:
 - GLP-1 drugs when not used to treat type 2 diabetes, or when preauthorization is required but not obtained.

4. In the section titled “Benefit Precertification” beginning on page 59 of the Plan/SPD under the Claim and Appeal Information Section, is revised to read as follows:

BENEFIT PRE-CERTIFICATION

The Plan does not require pre-certification for any type of medical treatment. You and your dependents are encouraged to seek Medical Care whenever necessary. However, preauthorization is required for specialty drugs and for certain other prescription drugs to determine coverage (refer to the prescription drug section for more information). If you are not sure whether a particular treatment or service will be covered, you may contact the Fund Office in advance of any non-urgent care.

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Statement of the Plan’s Grandfathered Status. The Board of Trustees of the Chicago & Vicinity Laborers’ District Council Health & Welfare Fund believes this Plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act), which means that the Plan existed when the health care reform law was signed on March 23, 2010. As permitted by the Affordable Care Act, 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 the Plan may not include certain consumer protections of the Affordable Care Act 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 Affordable Care Act, for example, the elimination of lifetime limits on benefits. Questions regarding which protections apply and 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 Fund Office at (708) 562-0200 or 866-906-0200. 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.

The information contained in this Notice only highlights certain features of the Chicago & Vicinity Laborers’ District Council Health & Welfare Plan (the “Plan”) and is intended to be a Summary of Material Modifications to the SPD/Plan. The Board of Trustees of the Plan (“Trustees”) reserves the right and has the authority to amend, modify, or eliminate benefits at any time, or terminate the Plan when financial conditions dictate. Receipt of this Notice does not confer or guarantee eligibility for benefits. In addition, the Trustees, or such other persons as delegated by the Trustees, have the discretion to interpret and construe the Plan’s provisions, as set forth in the SPD/Plan.

SUMMARY OF MATERIAL MODIFICATIONS

EIN: 36-2151212 Plan No.: 501

April 2024