

EMPLOYEES SECURITY FUND OF THE ELECTRICAL PRODUCTS INDUSTRIES

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Established 1944

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IMPORTANT NOTICE: TO ALL ACTIVE AND RETIRED ELIGIBLE PARTICIPANTS OF THE EMPLOYEES SECURITY FUND OF THE ELECTRICAL PRODUCTS INDUSTRIES HEALTH AND WELFARE PLAN

The Trustees of the Employees Security Fund of the Electrical Products Industries Health and Welfare Plan ("the Plan") have adopted the following changes to the Plan to be effective January 1, 2012. This Notice supplements and replaces corresponding material in your Summary Plan Description and is intended to constitute a summary of material modifications of the Plan. Please read this Notice carefully to determine how the changes apply to you and/or your eligible dependents.

PRESCRIPTION DRUG BENEFIT

Effective January 1, 2012, your prescription drug benefit annual family maximum has been raised from \$4,125 to \$4,875.

MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT

Effective January 1, 2012, the Plan must comply with the Mental Health Parity and Addiction Equity Act ("MHPAEA"). Accordingly, the following changes are effective to your Plan beginning January 1, 2012:

Plan "C" and Plan "A":

- Lifetime limits and special eligibility rules for alcohol and substance abuse are eliminated. Eligibility for all benefits is initially met after 26 weeks of contributions are made on a Participant's behalf. Thereafter, 26 weeks of contributions must be received within a 52-week period in order to maintain eligibility under the Plan. **Substance abuse benefits are no longer limited to once in a lifetime, but must still be pre-certified through the Members' Assistance Program ("MAP").** All benefits will be paid at the in-Network rate. Participants who choose to use a facility not approved by the MAP Program will be responsible for any balances due after the Plan has processed the claim and paid the Network amount. All hospital claims remain subject to pre-notification and review for appropriateness of setting and medical necessity.

- Smoking cessation benefits will be covered through the prescription drug program, subject to the same co-payments and annual maximum as all other covered prescriptions. The acupuncture benefit, provided solely for smoking cessation, as provided at the JIB Medical Center, will be eliminated.
- Diagnoses related to mental health and substance abuse will be covered under the annual diagnostic visit benefit.

Plan "C" only:

- Outpatient mental health and substance abuse benefits will be covered in the same manner as other office visits and will be subject to a \$50 co-payment. Services provided by licensed therapists, MSWs and social workers will be covered. This benefit is covered both in and out of network; however, all services will be paid according to the MagnaCare fee schedule.
- All Emergency Room, diagnostic, lab, pathology, radiology, CT scan, MRI and ambulance benefits currently provided by the Plan will cover eligible diagnoses related to mental health and substance abuse.

Aggregate Annual Maximum Increased

For calendar year 2012, the annual aggregate limit is increased from \$750,000 to \$1,250,000.

Please note that the Trustees of the Plan reserve the right to make additional changes to the Plan at any time. The Board also reserves the right, in its sole and absolute discretion, to amend, modify, or terminate the Plan of any benefits provided under the Plan, in whole or in part, at any time for any reason.

If you have any questions, please contact the
Fund Office at 718-591-1100.