

LOCAL 807 LABOR-MANAGEMENT HEALTH & PENSION FUNDS

TEL (718) 274-5353 32-43 49TH STREET LONG ISLAND CITY, NEW YORK 11103 FAX (718) 728-4413

UNION TRUSTEES

John Sullivan
Anthony Storz
Luis Herrera

FUND ADMINISTRATOR

Teresa Casanova

EMPLOYER TRUSTEES

John Zak
Robert Holden
Scott Little

LOCAL 807 LABOR-MANAGEMENT HEALTH FUND SUMMARY OF MATERIAL MODIFICATION TO THE SUMMARY PLAN DESCRIPTION

September 2019

To all Participants and COBRA Beneficiaries:

This notice is a Summary of Material Modifications (“SMM”) and provides important information about your benefits under the Fund.

CHANGES TO THE WELFARE FUND EFFECTIVE SEPTEMBER 1, 2019

The Local 807 Labor-Management Health Fund (the “Fund”) does not cover any charges related to gene therapy, regardless of whether the therapy has received approval from the U.S. Food and Drug Administration (FDA), after March 23, 2010, or is considered experimental or investigational. However, the Board of Trustees has decided that the Fund will provide benefits for Zolgensma, a prescription gene therapy for the treatment of Spinal Muscular Atrophy for children under two years of age. Benefits for intravenous administration of Zolgensma will be provided in accordance with the Fund’s terms and limitations, including those relating to deductibles, copayments, coinsurance, medical necessity and out-of-network providers. Please note that in order to be covered, Zolgensma must be purchased through the Fund’s specialty pharmacy, Accredo, in accordance with clinical criteria established by the manufacturer and Express Scripts. No benefits will be payable unless reviewed and approved by Express Scripts prior to administration.

This benefits change is incorporated into the Fund’s Summary Plan Description (“SPD”). Effective September 1, 2019 the section of the SPD titled “**General Health Coverage Exclusions**” is amended under the subtitle “**Expenses for:**” (page 74) to clarify with the addition of the following at the end of the section:

“Expenses for:

- Gene Therapies as listed in the Definitions section, even if those therapies have received approval from the U.S. Food and Drug Administration (FDA) after March 23, 2010, or are considered experimental or investigational except for the reasonable and medically necessary costs of Zolgensma for the treatment of Spinal Muscular Atrophy in children under two years of age. No benefits will be provided for Zolgensma if you do not obtain approval prior to receiving the therapy and follow the Fund’s procedures relating to this therapy.
- Genetic Testing for Gene Therapies: The Fund does not cover any related genetic testing developed after March 23, 2010 intended to determine whether particular genetic mutations are present and/or whether particular drug therapies might work for a particular patient before gene therapy is initiated.

The “**Definitions**” section (page 116) is amended to include the definition of Genetic Testing and Gene Therapy as follows:

- **Gene Therapy:** Gene therapy typically involves replacing a gene that causes a medical problem with one that does not, adding genes to help the body fight or treat disease, or inactivating genes that cause medical problems. Illustrative examples of gene therapy include Chimeric Antigen Receptor T-Cell (CAR-T) Therapies such as Kymriah and Yescarta, as well as Luxturna and Zolgensma.

Additionally, the section of the SPD titled “Prescription Drug Plan Exclusions” is amended (page 61) to clarify with the addition of the following at the end of the section:

Not covered under either the retail program or the mail order program are:

- Charges related to gene therapy. The Fund does not cover any charges related to any type of gene therapy, other than the reasonable and medically necessary costs of Zolgensma for the treatment of Spinal Muscular Atrophy in children under two years of age when approved and provided in accordance with the Fund’s procedures, whether those therapies have received approval from the U.S. Food and Drug Administration (FDA) after March 23, 2010 or are considered experimental or investigational. See the Definitions section of the SPD for a definition of gene therapy.

The Board of Trustees will review this list from time to time, in light of new drugs approved by the FDA and other considerations, and may revise the list of non-covered drugs. Please contact Express Scripts for the most up-to-date information on which drugs are not covered by the Plan as well as which ones require advance authorization.

If you have any questions concerning this Notice or your Welfare Fund benefits, please contact the Fund Office at (718) 274-5353.

Notice of Grandfathered Health Plan

The Local 807 Labor-Management Health Fund believes this plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the “Affordable Care Act”). 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 your 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 which protections 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 plan administrator at (718) 274-5353. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

You should keep this Notice together with your Summary Plan Description at all times. The two documents should be read together for an accurate depiction of your current health plan benefits. If you have any questions, contact the Health Fund.

The Board of Trustees reserves the right, in its sole and absolute discretion, to interpret and decide all matters under the Plan. The Board also reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan or any benefits provided under the Plan (or eligibility for such benefits), in whole or in part, at any time and for any reason.

Plan Sponsor: Board of Trustees of Local 807 Labor-Management Health Fund

Sponsor’s EIN #: 13-5548780

Plan Number: 501

Plan Year: September 1 to August 31