



## **BAC Local Union 15 Fringe Benefit Funds**

PO Box 909500 • Kansas City, MO 64190-9500

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### **BAC LOCAL UNION 15 WELFARE FUND SUMMARY OF MATERIAL MODIFICATION**

To: All Eligible Participants

Re: At-Home COVID-19 Test Coverage, Retiree Eligibility Changes, and Short Hour Self Pay Changes

Date: March, 2022

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#### **Coverage for At-Home COVID-19 Test Kits:**

Effective January 15, 2022, the BAC Local Union 15 Welfare Fund (“Fund”) will provide 100% coverage for at-home COVID-19 tests subject to the following provisions. These provisions only apply to at-home COVID-19 tests. These provisions do not affect previous Plan provisions regarding coverage of COVID-19 tests that are not at-home COVID-19 tests.

- At-home COVID-19 tests are covered if purchased on and after January 15, 2022 and through the end of the public health emergency that was declared by the Department of Health and Human Services with respect to COVID-19.
- ***Only tests available “over-the-counter” that have been approved by the FDA for use at home or elsewhere without involvement of a health care provider*** will be covered under this program. Please go to [www.fda.gov](http://www.fda.gov) to learn which tests are currently FDA approved or check the packaging on the test before purchasing.
- The Plan will cover the cost of at-home COVID-19 tests without cost-sharing (no Deductible or Copay) if the tests are purchased through a pharmacy in the Sav-Rx network.
  - Many pharmacies in the Sav-Rx network are set up to process test kits in the same manner as a prescription. In these pharmacies, you can present your Sav-Rx ID card to the pharmacy and the test kit will be covered at 100%. This means that you will not have to pay anything for the test.
  - Some pharmacies in the Sav-Rx network are not set up to process test kits in the same manner as a prescription. For these pharmacies, you must pay for the test kit upfront. You will be reimbursed for the entire cost of the test kit if you save your receipt of purchase and submit the receipt along with the “*Over-The-Counter (OTC) COVID-19 Test Kit Claim Reimbursement Request*” form to Sav-Rx at their address noted on the reimbursement request form. Reimbursement request forms are available at [www.savrx.com](http://www.savrx.com).

- Direct orders for at-home COVID tests can also be placed directly through Sav-Rx’s COVID Resource website, [https://www.savrx.com/?Link=covid\\_resources](https://www.savrx.com/?Link=covid_resources). From this section of their website, you can to select from the following options:
  - Free Government Tests
  - At-Home COVID-19 Test Reimbursement Form
  - COVID Test Direct Shipping
- Reimbursement for tests purchased at pharmacies that are not in the Sav-Rx network will be limited to the cost of the test or \$12, whichever is less. Amounts that you pay in excess of \$12 for tests purchased at pharmacies that are **not** in the Sav-Rx network will not count towards your Prescription Drug Benefit Deductible or your Prescription Drug Benefit Annual Out-of-Pocket Maximum.
  - Save your receipt of purchase and submit the receipt along with the “*Over-The-Counter (OTC) COVID-19 Test Kit Claim Reimbursement Request*” form to Sav-Rx at their address noted on the reimbursement request form. Reimbursement request forms are available at [www.savrx.com](http://www.savrx.com).
- Coverage is provided for up to eight (8) at-home COVID-19 tests per Covered Person under the Plan each calendar month.
- Covered tests include only those for at-home medical use by you or your covered household family members. Tests for employment purposes or resale will not be covered or reimbursed under this program.

**Additional COVID-19 Tests Available Directly from the Government**

The United States government is also providing free at-home COVID test kits. Please visit [www.covidtests.gov](http://www.covidtests.gov) to order up to 4 free tests per household. The tests kits will ship through the USPS, and are expected to ship out within 7 to 12 days to most residential addresses.

**Questions**

Federal and state agencies are frequently releasing new information and guidance about COVID-19. This means the information above is subject to change. If you have any questions about the Plan’s coverage of at-home COVID-19 tests or your benefits in general, please call the Fund Office at (816) 756-3313 or contact Sav-Rx at (800) 228-3108.

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**Retiree Coverage Eligibility Changes:**

The following Retiree eligibility rules will take effect August 1, 2022:

**Eligibility for Retirees and Eligible Dependents**

The following rules govern eligibility for Retirees and their Eligible Dependents:

1. Retirees under age 55, eligible for Medicare and with at least 17 Years of Service in the past 20 Plan years.  
 An eligible Employee who: (a) is under age 55; (b) is eligible for Medicare; (c) has at least 17 Years of Service in the past 20 Plan years under the BAC Local Union 15 Pension Plan or the OCI Pension Fund, and (d) has exhausted extended coverage under COBRA, is eligible to continue Benefits provided under this Plan by making the required self-payments.

2. Retirees between ages 55 and 64

An eligible Employee who: (a) is receiving benefit payment under the BAC Local Union 15 Pension Fund or the OCI Pension Fund; (b) is between ages 55 and 64; (c) has been eligible under the BAC Local Union 15 Welfare Fund for at least 12 consecutive months prior to retirement; (d) loses eligibility as an active Eligible Employee under the BAC Local Union 15 Welfare Fund; and (e) has at least 17 Years of Service in the past 20 Plan years under the BAC

Local Union 15 Pension Plan or the OCI Pension Fund, will become eligible for continuing Benefits provided under this Plan by making the required self-payments.

In the event of the merger of another health plan with this Plan, or the transfer of a group of participants from another health plan to this Plan, pension credits earned by such participants under the other health plan's related pension plan will count towards the fulfillment of the 17 Years of Service in the past 20 Plan years requirement in the preceding paragraph. Evidence of these pension credits will be required. No other pension credits besides the aforementioned (such as those earned by an individual transferring to this Plan) may be used to fulfill the 17 Years of Service in the past 20 Plan years requirement.

Retirees age 65 and Over

An eligible Employee who:

- (a)
  - (i) is receiving benefits from BAC Local Union 15 Pension Fund or the OCI Pension Fund,
  - (ii) who is age 65 or older; and
  - (iii) has been eligible under the Plan during the complete 12 months prior to retirement will remain eligible for continuing Benefits provided under this Plan by making the required self-payments; or
- (b)
  - (i) loses eligibility as an active Eligible Employee under the BAC Local Union 15 Welfare Fund; and
  - (ii) has at least 17 Years of Service in the past 20 Plan years under the BAC Local Union 15 Pension Plan or the OCI Pension Fund, will become eligible for continuing Benefits provided under this Plan by making the required self-payments.

The Benefits available to Retirees eligible for Medicare will be paid- through the Plan's group Medicare Advantage with Part D (MAPD) program.

In the event of the merger of another health plan with this Plan, or the transfer of a group of participants from another health plan to this Plan, pension credits earned by such participants under the other health plan's related pension plan will count towards the fulfillment of the 17 Years of Service in the past 20 Plan years requirement in the preceding paragraph. Evidence of these pension credits will be required. No other pension credits besides the aforementioned (such as those earned by an individual transferring to this Plan) may be used to fulfill the 17 Years of Service in the past 20 Plan years requirement.

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**Changes to Short Hour Self-Payment Provisions:**

The following Short Hour Self Pay rules will take effect August 1, 2022:

### Short Hour Self Pay

Participants may make *Short Hour Self Payments* in the amount that is the difference between the required number of hours (in either the four month Work Period or eight month Work Period) and the actual number of hours that you worked in the same Work Period multiplied by the current contribution rate. **The *Short Hour Self Pay* option may be utilized for any Benefit Period with 0 hours in the most recent Work Period provided that at least 350 hours were reported in the preceding Work Period.** The Short Hour Self Pay option is limited to **one (1) Benefit Period in a consecutive 12 month period.** Please note, COBRA will still be available if coverage is lost in a subsequent period because of failure to meet the continuation of eligibility rules in Section Two B, after use of the Short Hour Self Pay option.

#### **NOTICE: THIS IS A “GRANDFATHERED” GROUP HEALTH PLAN**

This group health Plan believes this coverage 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 preventative 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 Fund Office.

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](http://www.dol.gov/ebsa/healthreform). The EBSA website has a table summarizing which protections do and do not apply to grandfathered health plans.

If you have any questions or concerns about this notice, contact the Fund Office at BAC Local Union 15 Welfare Fund, P.O. Box 909500, Kansas City, MO 64190-9500; Telephone: (816) 777-2668 or toll free: (833) 479-9428.

Sincerely,

**Board of Trustees**