

# ALASKA LABORERS TRUST FUNDS

Alaska Laborers-Construction Industry Health and Security Plan

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Administered by  
Welfare & Pension Administration Service, Inc.

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**To: Participants of the Alaska Laborers-Construction Industry Health and Security Fund**

*This is a summary of material modification describing recent changes adopted by the Board of Trustees. Please be sure that you and your family read this carefully and keep it with your Summary Plan Description material.*

The Board of Trustees' of the Alaska Laborers-Construction Industry Health and Security Fund met recently to review the health plan costs and benefits.

## **Coordination of Benefits (COB) for prescriptions**

Effective January 1, 2020, the Plan will coordinate benefits for prescription drugs purchased at retail or mail order pharmacies. If the Alaska Laborers' health plan is your secondary plan and another health plan pays first, the Alaska Laborers' health plan may pay some or all of the expense that is not paid by your primary health plan.

You have multiple options for coordinating prescription benefits.

- Preferred method: At the pharmacy. Your pharmacy may be able to coordinate benefits automatically when they process your prescription. Please provide your pharmacy with both your primary insurance ID card and the Alaska Laborers' plan ID card and ask your pharmacy to submit the claim to both health plans.
- Electronic submission. If your pharmacy does not submit your secondary claim, you may electronically submit it to Caremark yourself through the [www.caremark.com](http://www.caremark.com) website or through the CVS/Caremark mobile app.
- Paper claim submission. You also have the option to submit a paper claim for secondary reimbursement. CVS/Caremark paper claim forms are available on the Trust website [www.aklaborerstrust.com](http://www.aklaborerstrust.com). Please note: this method of submission is not the preferred method and may take longer to process.

## **Cost Effectiveness Plan Design Program**

Starting January 1, 2020, the Plan will exclude from coverage any new drug or any new indication for an existing drug approved by the FDA with an incremental cost-effectiveness ratio greater than:

- \$100,000 per additional quality-adjusted life-year for drugs not indicated in rare conditions
- \$150,000 per additional quality-adjusted life-year for drugs indicated in rare conditions, unless the drug or indication has been granted breakthrough therapy designation by the FDA.

The Plan or CVS/Caremark determines which drugs or indications exceed the incremental cost-effectiveness ratio threshold using the following resources:

- Reports issued by the Institute for Clinical and Economic Review or similar organization
- Peer-reviewed, published cost-effectiveness analysis
- Consultation with qualified health care professionals
- Other unbiased sources

This does not impact coverage for any medication you are currently taking. If you have questions about your prescriptions or coverage, log into [caremark.com](http://caremark.com) or call 866-818-6911 (toll-free).

### **Eligibility for Retiree Coverage**

Effective December 1, 2019, only Credited Hours contributed to the Alaska Laborers-Construction Industry Health & Security Fund or the Alaska Laborers-Employers Retirement Plan while working as a Laborer will qualify for eligibility in the Alaska Laborers-Construction Industry Health and Security Fund Retiree Plan. Credited Hours contributed while working as a Trowel Trades participant will not qualify for eligibility in the Retiree Plan. Trowel Trades retirees will no longer have coverage effective December 1, 2019.

If you have any questions regarding the prescription drug benefit changes, please contact the Administration Office at (855) 815-2323, option 2. For questions regarding Eligibility for Retiree Coverage, choose option 4.

Sincerely,

### **Board of Trustees**

### **Alaska Laborers-Construction Industry Health and Security Fund**

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan and we are advising you of these Plan changes within 60 days of the adoption of those changes.