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HEALTH & WELFARE FUND

1645 WEST JACKSON BLVD • Tel 312-738-2811 • CHICAGO, IL 60612-3227
SUITE 700 Fax 312-738-0607



Important News Regarding Your Health & Welfare Plan For Retired Employees of the Local 705 International Brotherhood of Teamsters Health and Welfare Fund

April 2017

Dear Retired Participant:

As Trustees of the Local 705 International Brotherhood of Teamsters Health and Welfare Plan for Retired Employees (the "Plan"), we strive to provide the best possible benefits.

Bariatric Surgery Benefit

We are pleased to announce that the Plan is introducing bariatric surgery to Participants and their Spouses who meet specific criteria and follow all Plan requirements.

Effective March 3, 2017, the following bariatric surgery benefits (Roux en Y bypass, adjustable silicone gastric banding, sleeve gastrectomy, and vertical banded gastroplasty) are available.

You must obtain pre-authorization and certification for any bariatric surgery benefit for you or your Spouse. If you fail to pre-authorize the bariatric surgery benefit, or, if the bariatric surgery benefit is not medically necessary you will be responsible for the entire amount of the claim.

To qualify for any bariatric surgery benefits, a Physician must certify that you or your Spouse qualifies for a bariatric surgery benefit based on the following criteria:

1. Body mass index (a minimum BMI of 35);
2. Serious co-morbidities (such as diabetes);
3. Documented attempts at weight loss overseen by a Physician for at least a six-month period;
4. Age (between 18 and 60 years old);
5. A psychiatric evaluation; and
6. Obtainment of treatment at a Blue Cross Center of Distinction Hospital for Bariatric Surgery.

The bariatric surgery benefit is available only once per lifetime, and includes the bariatric surgery, the removal of staples, appropriate counseling and any corrective follow-up concerning the same surgery. If the procedure is approved, the bariatric surgery benefit will be paid at a 75% co-insurance rate and subject to the calendar year deductible and the in-network out-of-pocket limits.

The following items are not covered:

1. Other bariatric surgeries not named above or other procedures relating to weight reduction, including but not limited to, excess skin removal;
2. Any surgery, treatment, or service to transition from one bariatric surgery benefit to another (such as, changing from adjustable silicone gastric banding to sleeve gastrectomy); and
3. Coverage for complications from a procedure that did not follow appropriate guidelines.

Utilization Management Changes

Effective February 3, 2017, the following benefits are no longer subject to the Utilization Management (UM) Program:

- Diagnostic Ultrasounds;
- OB Ultrasounds;
- Sleep Testing; and
- Treadmill/Cardiac Stress Tests.

Therefore, you will no longer need to obtain a preauthorization for the above-listed benefits to avoid a penalty amount.

Please carefully review this announcement, share it with your family and keep it with your SPD for future reference. If you have any questions, please contact the Fund Office at 312-738-2811.

Sincerely,

The Board of Trustees

This announcement, which serves as a Summary of Material Modifications, contains only highlights of recent changes to the Local 705 International Brotherhood of Teamsters Health & Welfare Plan for Retired Employees. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. The Trustees reserve the right to amend, modify, or terminate the Plan at any time.