



Musicians Health Fund

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**VERY IMPORTANT NOTICE TO PARTICIPANTS OF THE
LOCAL 802 MUSICIANS HEALTH FUND
Important Information Regarding Your Health Fund Benefits**

This document is a Summary of Material Modifications ("SMM") intended to notify you of an important change made to the plan of benefits (the "Plan") of the Local 802 Musicians Health Fund (the "Fund"). You should take the time to read this SMM carefully and keep it with the copy of the summary plan description ("SPD") that was previously provided to you. If you have any questions regarding these changes to the Plan, please contact the Fund Office at (212) 245-4802.

June 30, 2016

Dear Participant and Family,

We are writing to advise you that, effective September 1, 2016, the following prescription drug management programs will be in place for the Plan. These programs are administered by Express Scripts, Inc., the Fund's prescription drug benefit manager.

Prior Authorization and Drug Quantity Management

To ensure that the most effective, safe and cost-effective prescription drugs are used by the Fund's participants, the Plan is putting in place a Prior Authorization and Drug Quantity Management Program for certain drugs. **Accordingly, beginning September 1, 2016, the Plan will cover certain medications only if prior authorization is received from Express Scripts and, in some cases, only in limited dosages and quantities.** The Fund's Board of Trustees has adopted these programs to ensure that the Fund's prescription drug coverage takes into account that certain prescriptions have specific approved treatment indications, clinical support requirements, high costs, or special handling and administration requirements. The medications that require prior authorization or that are limited in dosage or quantity are determined by Express Scripts pursuant to its advanced utilization management program and may change from time to time.

If you are using medications that will require prior authorization or that will be subject to limits on dosage or quantity under this new program, Express Scripts will contact you prior to September 1, 2016. However, since Express Scripts may modify the list of drugs that are subject to this program from time to time, you should also contact Express Scripts to determine whether a particular medication you are taking requires prior authorization. Express Scripts can be reached at (866) 544-2926. In addition, if, in the future, your doctor prescribes a medication that requires prior authorization, you should ask the doctor to contact Express Scripts. Participating pharmacies should be able to identify whether a medication requires prior authorization or is limited in dosage or quantity.

If you fill a prescription without the required authorization or approval, your medication will not be covered by the Plan, and you will have to pay the full cost of the drug, and if you exceed the dosage or quantity limitations, you may be required to pay for the excess use.

Step Therapy

Also beginning September 1, 2016, the Plan is implementing a Step Therapy Program for certain categories and classes of drugs. Step therapy requires that a patient try the most preferred alternative drug (usually the generic or preferred formulary drug) prior to more expensive non-preferred or brand name drugs. The step therapy program is developed under the guidance of doctors, pharmacists and other medical experts who review current research on thousands of drugs. In some cases, an exception to step therapy may be granted, such as if a patient's physician demonstrates a medical necessity for the patient to take the less preferred form of the drug immediately, without trying the preferred drug, or confirms that a patient has already tried the preferred drug and it was not effective. As a reminder, the Plan already requires that you select the generic drug first, and that rule remains in effect for all participants and their family members.

To lessen the amount of disruption you and your family experiences because of these changes, the Trustees have decided to grandfather individuals who are currently taking medications that would otherwise be subject to step therapy. This means that if you are currently taking a drug that is subject to step therapy, you can continue to take it as long as you remain eligible under the Plan and the drug is otherwise covered and medically necessary. If you lose eligibility for coverage under the Plan for a period of time or stop taking the medication, you will be subject to step therapy if you are later prescribed the same medication.

As with the Prior Authorization and Drug Quantity Management Program described above, if you are using medications that are subject to step therapy, Express Scripts will contact you directly before September 1, 2016, but since Express Scripts may modify the list of drugs that are subject to step therapy from time to time, you should contact Express Scripts (at (866) 544-2926) to determine whether a particular medication is subject to the program. In addition, if you receive a prescription for one of the medications, you should ask your physician or pharmacist to contact Express Scripts. Participating pharmacies should be able to identify whether a medication is subject to step therapy. If you fill a prescription that does not conform to the step therapy rules, your medication will not be covered by the Plan, and you will have to pay the full cost of the drug.

Specialized Management Programs

In collaboration with Express Scripts, the Plan already takes advantage of certain specialized programs designed to ensure that the safest and most cost-effective treatments are available to you and your family. These special programs help promote favorable clinical outcomes and usually address a specific drug or group of drugs that treat a particular condition. They are often composed of several programs such as preferred first-line treatments, exclusive distribution through mail-order or Accredo (Express Scripts' specialty mail-order pharmacy), enhanced patient services, testing and formulary management. The Plan currently participates in a number of these special programs that target certain types of cancer, hepatitis C and cholesterol medications. If you go to a participating pharmacy, Express Scripts will notify your pharmacy when you present a prescription affected by these programs, and you will be notified of any additional steps you need to take or information that is available to you.

As the prescription drug market evolves, the Trustees will continue to work with Express Scripts to review these and any new programs that may benefit participants of the Plan and the Plan as a whole.

Exceptions

There may be exceptions to these prescription drug management programs in certain circumstances. Continued use of drugs that are not covered by the Plan because of these programs must be approved through Express Scripts' exception process. The requests are evaluated on the basis of medical necessity, the individual's health and safety and the existence of other viable alternatives. If you or your physician would like to request an exception, your physician must contact Express Scripts at (866) 544-2926 (the exception process must be initiated by your physician).

As always, if you have any questions regarding these Plan changes, please contact the Fund Office at (212) 245-4802.

Sincerely,

Board of Trustees
Local 802 Musicians Health Fund

THE BOARD OF TRUSTEES

This SMM is intended to provide you with an easy-to-understand description of certain changes to the Plan. A full description of benefits available from the Fund is set out in the SPD, except to the extent that this SMM explicitly modifies the SPD.

The Board of Trustees reserves the right, in its sole and absolute discretion, to amend, modify or terminate any benefits provided under the Fund, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the SPD and the Agreement and Declaration of Trust establishing the Fund (the "Trust Agreement"). The Trust Agreement and the SPD are available at the Fund Office and may be inspected by you free of charge during normal business hours. No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the Plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters, legal and/or factual, arising under the Plan.