



Musicians Health Fund

322 West 48th Street, New York, NY 10036

Phone: 212-245-4802 • Fax: 212-245-2304

E-mail: hbp@local802afm.org

Summary of Material Modifications

To: All Participants and Family Members

From: Board of Trustees of the Local 802 Musicians Health Fund

Date: April 30, 2020

Re Important Information Regarding Your Health Benefits

This document is a Summary of Material Modifications ("SMM") intended to notify you of important changes and clarifications to the plan of benefits (the "Plan") of the Local 802 Musicians Health Fund ("the Fund"). Please read this SMM carefully and keep it with the copy of the Summary Plan Description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding this notice, please contact the Fund Office at (212) 245-4802.

The following changes and clarifications are being made to the Plan:

SaveonSP Specialty Pharmacy Copayment Assistance Program

Effective July 1, 2020, the Fund is participating in a program offered by Express Scripts through a company called SaveonSP that is intended to help the Fund and eligible participants save money on certain specialty medications by obtaining copay assistance from drug manufacturers when such assistance is offered. Under the program, SaveonSP identifies certain high cost specialty drugs that are eligible for copayment assistance through the drug manufacturer, and SaveonSP helps participants enroll in the copay assistance program with the drug manufacturers. The copayment assistance that a participant receives from the drug manufacturer and other payments under the program are expected to completely cover the participant's cost share for the specialty drug, so that there is no required payment from a participant. If a participant's request to enroll in a manufacturer copay assistance program is declined, or if a participant enrolls but the entire copay is not covered by the program, the participant's cost share will still be zero under the terms of this program.

If you are taking a qualifying drug, you will be contacted by SaveonSP to participate in this copayment assistance program and if you participate, you will have no out-of-pocket costs for the drug. Although the program is voluntary, participants who do not participate in the program will be responsible for paying a higher copayment for certain specialty drugs (rather than the plan's usual copayment), the list of which and copayment amount will vary depending on the drugs that are included in the program. The copayment will be based on the amount of any available manufacturer copayment assistance. This could result in much higher cost sharing for those who decide not to participate in the program.

In addition, the drugs included in the program are not classified as “essential health benefits” under the Plan, and the cost of such drugs will not be applied toward satisfying the participant’s out-of-pocket maximum or deductible in all cases, whether or not you choose to participate in the program. Although the cost of these drugs will not be applied toward satisfying the out-of-pocket maximum or deductible, participants enrolled in the program will not have any cost share obligation for the drugs that are covered by the program.

If you are currently taking a prescription drug that is on the list of the drugs that are eligible for the copayment assistance program, you will receive a mailing from SaveonSP describing the program along with enrollment information. A list of these drugs and their copayment amounts (which are fully covered by the program if you enroll) will be mailed to all affected participants, and can also be found at www.saveonsp.com/local802afm or obtained by request from the Fund Office (212.245.4802).

In accordance with the above, the following language is added to the SPD at page 50:

Effective July 1, 2020, the Fund is participating in a specialty pharmacy copay assistance program. The specialty drugs that are included in this program are classified as non-essential health benefits under the Plan, and the cost of such drugs will not be applied toward satisfying the participant’s out-of-pocket maximum or deductible in all cases, whether or not you choose to participate in the copayment assistance program. Although the cost of the program’s drugs will not be applied toward satisfying a participant’s out-of-pocket maximum, the manufacturer and/or other payments under the program cover the copayment required for these drugs, and there is no cost share charge to the Plan participant. Even in circumstances where a participant applies to enroll in the manufacturer copay assistance program but is denied, or if a manufacturer assistance payment doesn’t cover the full cost, there is still no payment due from the participant. Copays for the program’s drugs are reset under the Plan based on the amount of any available manufacturer copay assistance. Therefore, if a participant doesn’t participate in the program, his or her copayment is likely to be higher than it was before the program took effect. The list of program drugs can be found at www.saveonsp.com/local802afm .

In addition, the Schedule of Prescription Drug Benefits on page 50-51 of the SPD is deleted and replaced with the following:

Schedule of Prescription Drug Benefits

NON-SPECIALTY PRESCRIPTION DRUGS		
Type of Drug	Retail Pharmacy	Mail-Order
ACA Required Preventive Medications	\$0	\$0
Generic	\$20 Copay	\$40 Copay
Preferred Brand Name Drugs	\$35 Copay	\$75 Copay
Non-Preferred Brand Name Drugs	40% Coinsurance (\$50 Min/\$75 Max)	40% Coinsurance (\$100 Min/\$150 Max)
Supply of Medication	Up to a 30-day supply	Up to a 90-day supply

SPECIALTY PRESCRIPTION DRUGS Only available from Accredo Specialty Pharmacy		
Type of Drug	Retail Pharmacy	Accredo Specialty Pharmacy
Specialty Drugs not eligible for the SaveonSP Copayment Assistance Program,	Not covered	40% Coinsurance (\$300 Max per prescription)
Specialty Drugs Eligible for SaveonSP Copayment Assistance Program when <u>Participating</u> in the SaveonSP Program	Not covered	\$0 cost share (see www.saveonsp.com/local802afm for applicable copayment amount)
Specialty Drugs Eligible for SaveonSP Copayment Assistance Program when <u>NOT Participating</u> in the SaveonSP Program	Not covered	see www.saveonsp.com/local802afm for applicable copayment amount
Supply of Medication	N/A	Up to a 90-day supply

PRESCRIPTION DRUG OUT-OF-POCKET MAXIMUM This amount may be adjusted annually in accordance with applicable guidance*	
Per Individual	\$1,300
Per Family	\$2,600

*Does not include copayments incurred for Specialty Drugs eligible for the Saveon SP Copayment Assistance Program for any individuals, whether or not they participate in the program.

Gene Therapy

The Plan does not cover any gene therapy. Accordingly, the following paragraph is added to the list of *General Exclusions* in the *General Provisions* section of the SPD, which begins on page 46.

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. The Plan does not cover any charges for, or related to, gene therapy treatments, whether those therapies have received approval from the U.S. Food and Drug Administration (FDA) or not, or are considered experimental or investigational (or not). This exclusion applies to all existing gene therapies, such as Kymriah and Yescarta, Luxturna and Zolgensma, and to all gene therapies that become available at any future date.

In addition, the following paragraph is added to the list of *Prescription Drugs Not Covered* in the *Prescription Drug* section of the SPD, which begins on page 53:

Charges related to gene therapy. The Plan does not cover any charges for, or related to, gene therapies, even if those therapies have received approval from the U.S. Food and Drug Administration (FDA) or not, or are considered experimental or investigational or not.

Questions?

As always, if you need assistance or have any questions regarding any of the issues described in this notice, please contact the Fund Office at (212) 245-4802.

ERISA Information

Plan Sponsor: Board of Trustees of the Local 802 Musicians Health Fund

Address: 322 West 48th Street -New York, NY 10036

Telephone: (212) 245-4802

Sponsor's EIN Number: 13-1801294

Plan Number: 501

Plan Year: October 1 through September 30

This SMM is intended to provide you with an easy-to-understand description of certain changes and/or clarifications to the Plan. A full description of benefits available from the Fund is set out in the SPD (as amended by prior SMMs), 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 Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Fund (the "Trust Agreement"). The Trust Agreement is 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 arising under the Plan.