



# Local 802 Musicians Health Fund

## Recovery Plan A

December 2020

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# | Agenda

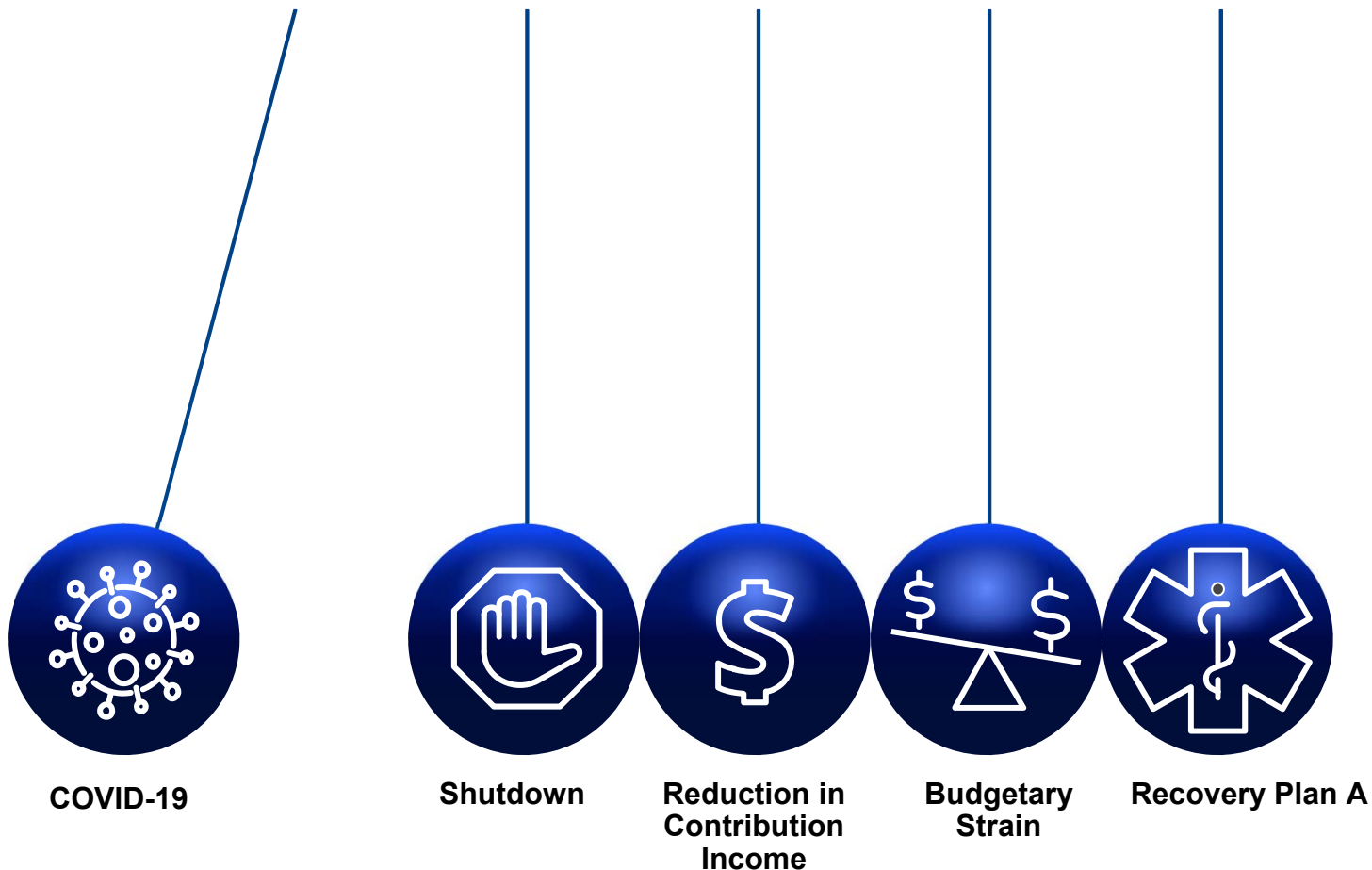
**Why?**

**What's Changing**

- **Eligibility**
- **Medical Benefits**
- **Prescription Drug Benefits**

**Q&A**

# Why? – Rationale for “Recovery Plan A”



While the Fund has been able to pay for the Plan benefits by drawing upon its reserves, over the last several months it has become abundantly clear that modifications to the Plan are needed to more closely align Fund expenses and income on a going-forward basis, and to allow for the long-term sustainability of the Fund.

# What's Changing - Eligibility

- Plan Offerings - Effective March 1, 2021, Plan A and Plan A+ benefits will be replaced with a new **Recovery Plan A**. Recovery Plan A will be the only medical plan option being offered by the Fund.
- Minimum Contribution Requirements for Medical Coverage - Below is a summary of the Coverage Period for each respective Contribution Period along with the corresponding new Minimum Contribution Requirement:

For the Contribution Period that runs for the Six-Month Period from:	Minimum Contribution Requirement	Eligible for Recovery Plan A for the Six-Month Period from:
July 1, 2020 – December 31, 2020	\$2,000	March 1, 2021 – August 31, 2021
January 1, 2021 – June 30, 2021	\$2,150	September 1, 2021 – February 28, 2022

- What's not changing:
  - The enrollment process for enrolling in the Plan
  - The applicable participant premiums
  - Plan B Dental and Vision Benefits and eligibility

# What's Changing – Medical Benefits

- Below is a summary of the medical benefit changes effective March 1, 2021.

	<u>Current Plan A</u>	<u>Recovery Plan A</u>
<b>In-network Deductible (Ind / Fam)</b>	\$250 / \$500	\$750 / \$1,500
<b>Out-of-network Deductible (Ind / Fam)</b>	\$2,500 / \$6,250	\$5,000 / \$12,500
<b>In-network Out-of-pocket Maximum (Ind / Fam)</b>	\$5,050 / \$10,100	\$5,350 / \$10,700
<b>Specialist Copay</b>	\$50 per visit	\$50 per visit*
<b>ER Copay</b>	\$150 per visit	\$200 per visit
<b>Urgent Care Copay</b>	\$30 per visit	\$50 per visit*
<b>* - Visits for Mental Health or Substance Use Disorder services will be \$30 copay per visit</b>		

Please refer to the December 2020 Summary of Material Modification/Reduction for a detailed schedule of benefits for Recovery Plan A

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# What's Changing – Prescription Drug Benefits

- Closed Non-Specialty Formulary - Effective March 1, 2021, the Plan will exclude coverage of non-formulary brand name drugs. If you fill a prescription for a non-formulary drug, you will pay the entire cost for the prescription.
  - To find out whether a medication is on the formulary, call Express Scripts at the number listed on the back of your Express Scripts ID card, or visit Express Scripts online at [www.express-scripts.com](http://www.express-scripts.com).
  - If you are taking a non-formulary drug, Express Scripts will contact you with a list of preferred alternatives. Please talk with your doctor regarding the appropriate medication.
  - Medical necessity exception applies.
- Prescription Drug Deductible – Effective March 1, 2021, the Plan will add an annual prescription drug deductible of \$50 per individual and \$100 per family. This deductible will need to be met annually before the Plan begins to pay for most covered medications.
- What's not changing
  - Generic drug copays
  - Formulary brand drug Copays
  - Coverage for Specialty drugs
  - Prescription Drug Out-of-Pocket Maximum

# What's Changing – Prescription Drug Benefits

- Below is a summary of non-specialty prescription drug benefits under the current Plan structure and Recovery Plan A:

Prescription Drug Deductible (Ind / Fam)	Current Plan A		Recovery Plan A	
	<u>Retail</u>	<u>Home Delivery</u>	<u>Retail</u>	<u>Home Delivery</u>
	N/A		\$50 / \$100	
<b>ACA Required Preventive</b>	\$0 copay	\$0 copay	\$0 copay	\$0 copay
<b>Generic</b>	\$20 copay	\$40 copay	\$20 copay	\$40 copay
<b>Formulary Brand</b>	\$35 copay	\$70 copay	\$35 copay	\$70 copay
<b>Non-Formulary Brand</b>	40% coinsurance (\$50 min / \$75 max)	40% coinsurance (\$100 min / \$150 max)	Not covered, Participant responsible for 100% of cost	

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Questions?

