DISTRICT COUNCIL 16

Northern California Health and Welfare Trust Fund

P.O. Box 24454 Oakland CA, 94623 (510) 864-6444 or Toll Free (800) 922-9902 E-Fax: (510) 217-9479 * Fax: (510) 337-3080

www.dc16trustfund.org

Date: December 21, 2015

To: All Active Employees, Non-Medicare Retirees and their Dependents, including COBRA

beneficiaries participating in the Kaiser HMO Plan offered by District Council No. 16

Northern California Health & Welfare Trust Fund

From: Board of Trustees

This Participant Notice will advise you of certain information you need to be aware of in order to receive the highest level of benefits from District Council No. 16 Northern California Health & Welfare Trust Fund. **This information is VERY IMPORTANT to you and your Dependents**. Please take the time to read it carefully.

CHANGE TO KAISER SPECIALTY DRUGS EFFECTIVE JANUARY 1, 2016

Currently, the Kaiser specialty drug benefit is subject to the same copays as the general prescription drug benefit. Effective for specialty prescription drugs filled on or after January 1 2016 will be subject to the copays outlined below.

SPECIALTY DRUGS	PRIOR TO 1/1/16	ON OR AFTER 1/1/16
Copayment	\$20 copay for brand name drug for retail (two times for mail order)	20% coinsurance (not exceed \$150) for 1-30 day supply. Deductible does not apply

The Fund will, upon request, reimburse your specialty drug coinsurance less the current \$20 copay for the first two months of 2016. This reimbursement program will end on February 29th, 2016.

Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions. We are also attaching an updated SBC that reflects the changes. Should you have any questions, please contact the Administrative Office at (510) 864-6444.

Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions regarding the Plan changes, please contact the Administrative Office.

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.