

MICHIGAN CARPENTERS' FRINGE BENEFIT FUNDS

Michigan Carpenters' Health Care Fund
Michigan Carpenters' Pension Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

April 8, 2021

SENT VIA EMAIL

TO: THE TRUSTEES OF THE MICHIGAN CARPENTERS' HEALTH CARE FUND
RE: SUMMARY OF MATERIAL MODIFICATIONS (SMM) REGARDING PRESCRIPTION DRUG
MANUFACTURER COUPON ASSISTANCE PROGRAM

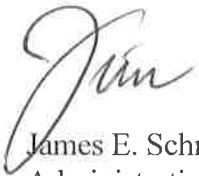
Dear Trustees:

Attached is a draft copy of a Summary of Material Modifications (SMM) Regarding Prescription Drug Manufacturer Coupon Assistance Program, which has been approved for distribution by Legal Counsel and will be mailed to the Non-Medicare Participants next week.

Therefore, please review and provide your comments or suggested changes you may have by **no later than Monday, April 12, 2021 at 12:00 p.m. (noon)**. We will then incorporate any suggestions, comments, etc., prior to distribution.

If you have any questions regarding this information, please feel free to contact me, or in my absence, Nicole Donald at (517) 327-2161.

Sincerely,



James E. Schreiber
Administrative Manager

JES/er

attachment

xc: Nicole Donald
Bryan Stulz
Christopher Legghio

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April 2021

IMPORTANT NOTICE

TO: NON-MEDICARE PARTICIPANTS OF THE MICHIGAN CARPENTERS' HEALTH CARE FUND (FUND)

Re: **Summary of Material Modifications (SMM)**
Prescription Drug Manufacturer Coupon Assistance Program

Dear Participant:

To assist with lowering prescription drug costs for you and the Fund, we have implemented a Prescription Drug Manufacturer Coupon Assistance Program (Coupon Program), *effective May 1, 2021*.

Participation in the Coupon Program is *mandatory* for all non-Medicare participants, spouses and dependents who:

- *fill a prescription drug(s) that costs four hundred dollars (\$400) or more; and*
- *a manufacturer coupon available.*

Below -- in question and answer format -- we summarize the Coupon Program.

Q1: What Is The Coupon Program?

A1: The Coupon Program utilizes manufacturer coupons for prescription drugs that cost \$400 or more to lower the out-of-pocket costs for participants and their family members. It also provides cost savings to the Fund.

Q2: Who Administers The Coupon Program?

A2: Health Plan Advocate (HPA), a company out of Grand Rapids, Michigan, administers the Coupon Program.

Q3: What Is A Manufacturer Coupon?

A3: A manufacturer coupon is a program funded directly by the pharmaceutical company that manufactures your prescription drug. These coupons provide you with lower out-of-pocket costs than what you would pay under the Fund's current benefit structure.

Example: Prescription A costs you \$200. If you use the manufacturer coupon, your out-of-pocket cost is reduced to \$10 -- that is, the drug manufacturer subsidizes your out-of-pocket cost by \$190.

Q4: Am I Required To Participate In The Coupon Program?

A4: It depends.

*If your prescription drug costs four hundred dollars (\$400) or more **and** there is a manufacturer coupon available, you are required to participate in the Coupon Program.*

Q5: What If My Prescription Drug Costs Less Than \$400?

A5: If your prescription drug costs *less* than \$400, then you will **not** participate in the Coupon Program.

Q6: What if My Prescription Drug Costs \$400 Or More But It Doesn't Have A Manufacturer Coupon?

A6: If your prescription drug costs \$400 or more but a manufacturer coupon is *not* available, then you will **not** participate in the Coupon Program.

Note: If a manufacturer's coupon becomes available for your prescription drug in the future, HPA will contact you about your required participation in the Coupon Program.

Q7: How Do I Know If My Prescription Drug Has A Manufacturer Coupon?

A7: There are several ways. Your provider or pharmacist may advise you that a manufacturer coupon is available. Or, HPA will contact you by mail and/or phone that one is available.

Q8: What Happens If My Manufacturer Coupon Is Available, But I Don't Use It?

A8: Your coinsurance will increase to fifty percent (50%) of the cost of your prescription drug.

Example: HPA contacts you that a manufacturer coupon is available for Prescription A. When you fill Prescription A, you do *not* bring the manufacturer coupon with you. Prescription A is a specialty drug and its cost is \$2,000. You will pay \$1,000.

Q9: Will My Out-of-Pocket Costs Change Due To The Coupon Program?

A9: Yes. Your coinsurance will increase to fifty percent (50%) of the cost of your prescription drug.

However, by using the manufacturer coupon, you will actually experience a reduction in the out-of-pocket amount you pay when you fill your prescription.

Example: Using the example above, if you use your manufacturer coupon for Prescription A, instead of paying \$1,000 (50% coinsurance), you will pay \$0. The manufacturer's coupon covers your coinsurance amount.

Q10: Do All Manufacturer Coupons Cover The Same Amount Of My Out-of-Pocket Costs?

A10: No, they vary. But, manufacturer coupons always provide a reduction to your out-of-pocket costs.

Q11: How Do I Know When My Manufacturer Coupon Expires?

A11: HPA will notify you if your manufacturer coupon expires. If your coupon expires, you will no longer be required to participate in the Coupon Program for that prescription drug.

Note: Some manufacturer coupons may renew in a future calendar year. If so, HPA will notify you of your renewed manufacturer coupon and required participation in the Coupon Program.

Q12: Does A Manufacturer Coupon Have A Monetary Limitation?

A12: Yes, some do. HPA will notify you if your manufacturer coupon has reached its monetary limit. If it has, you will no longer be required to participate in the Coupon Program for that prescription drug.

Note: Some manufacturer coupons may renew in a future calendar year. If so, HPA will notify you of your renewed manufacturer coupon and required participation in the Coupon Program.

Q13: What Happens When I Am No Longer Participating In The Coupon Program?

A13: Your prescription drugs costs will revert to the Plan's traditional copayment structure.

Q14: Does The Amount of The Manufacturer Coupon Apply Toward My Out-Of-Pocket Maximum?

A14: No.

If you have any questions about the Coupon Program, please contact the Fund Office.

Sincerely,

The Board of Trustees of the
Michigan Carpenters' Health Care Fund