

Summary of Material Modifications

To: All Participants in the UFCW National Health and Welfare Fund Plans of Benefits

From: Maurice Hodos, Fund Administrator

Re: Change in Benefits for Specialty Drug Cost Avoidance Program

Date: Effective July 1, 2021

This document is a Summary of Material Modifications (“Summary”) intended to notify you of important provisions in the UFCW National Health and Welfare Fund Plans of Benefits (You should take the time to read this Summary carefully and keep it with the copy of the Summary Plan Description that was previously provided to you. If you need another copy of the Summary Plan Description or if you have any questions regarding the Plan, please contact the Fund Office during normal business hours at 66 Grand Avenue, Englewood, NJ 07631, 1-888-773-8329 or visit our website at www.ufcwnationalfund.org.

The UFCW National Fund Health and Welfare Fund, has initiated a cost avoidance program coordinated through Payer Matrix for specialty drugs. The goal of the program is helping you avoid any out-of-pocket expense for specialty medications and decrease the cost to the National Fund, if possible. If you are currently taking or have been prescribed most specialty drugs (these are the impacted drugs involved), you are required to apply to participate in the Payer Matrix program. The program will help you enroll in any applicable alternate funding programs for your eligible drug therapy. If you are eligible to participate in the Payer Matrix program, you will receive a telephone call to your current telephone number on file with the Fund office, or a letter by mail, outlining the enrollment process.

As a first step, Plan members or their providers are required to send specialty medications prescriptions to EmpiRx as is the current process. While EmpiRx conducts the clinical prior authorization to ensure the medication is medically necessary for you, Payer Matrix conducts an administrative review to locate an alternate payer for you and the specific specialty medication you need. Payer Matrix and/or your Plan will assist you throughout the process, from enrollment through your receipt and use your medication.

If you do not apply, or are eligible for a Payer Matrix identified alternate funding program and choose not to enroll in the program, you will be responsible for the full cost of your specialty drug prescription. You will get no benefit from the National Fund, and this expense will not count toward your annual out-of-pocket maximum. If you are not eligible after applying for any alternate funding program through Payer Matrix for any Specialty Drug prescription covered by the Plan, Payer Matrix will work with EmpiRx and you will receive your drugs with all your Plan provisions in force. Your cost would be subject to the standard covered specialty drug copay/coinsurance as outlined by the plan.

This Summary of Material Modifications is intended to provide you with an easy-to-understand description of certain changes to the Summary Plan Description. The Summary Plan Description previously provided to you also serves as the Plan Document. While every effort has been made to make this description as complete and as accurate as possible, this Summary of Material Modifications, of course, cannot contain a full restatement of the terms and provisions of the Plan. The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or 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 Plan (the "Trust Agreement"). 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.