**Welfare Fund**
**of Local No. One, I.A.T.S.E.**

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## SUMMARY OF MATERIAL MODIFICATION

To: All Participants in the Welfare Fund of Local No. One, IATSE

From: Scott Cool, Director of Fund Administration

Date: September 19, 2017

Re: **Important Changes to Your Welfare Fund Provided Benefits**

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*This document is a Summary of Material Modifications ("SMM") intended to notify you of an important change made to the Welfare Fund of Local No. One, IATSE ("the Plan"). Please read this SMM carefully and keep it with the copy of the 2016 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 change to the Plan, please contact the Fund Office during normal business hours at 320 West 46th Street, 6th Floor, New York, New York, 10036, (212) 247-5225.*

The Board of Trustees has determined to make the following changes:

1. Effective January 1, 2018, the quarterly self-pay rates for medical coverage under the Welfare Plan will be increased as follows:

**Self-Pay Premium Rates for Active Participants**

| Class | Coverage | Quarterly Rates 1/01/17 to 12/31/17 | Quarterly Rates Starting 1/01/18 |
|---|---|---|---|
| Basic | Participant Only | $241.00 | $244.00 |
| | Participant + 1 | $1,699.00 | $1,738.00 |
| | Family | $3,108.00 | $3,179.00 |
| Tier I | Participant Only | $241.00 | $244.00 |
| | Participant + 1 | $338.00 | $343.00 |
| | Family | $375.00 | $381.00 |
| Tier II | Participant Only | $315.00 | $320.00 |
| | Participant + 1 | $434.00 | $442.00 |
| | Family | $500.00 | $509.00 |
| Tier III | Participant Only | $493.00 | $502.00 |
| | Participant + 1 | $605.00 | $617.00 |
| | Family | $719.00 | $733.00 |

| | | | |
|---|---|---|---|
| Buy-up from Tier I to Tier III* | Participant Only | $1,607.00 | $1,642.00 |
| | Participant + 1 | $2,790.00 | $2,852.00 |
| | Family | $3,894.00 | $3,981.00 |
| Buy-up from Tier II to Tier III* | Participant Only | $660.00 | $673.00 |
| | Participant + 1 | $944.00 | $964.00 |
| | Family | $1,203.00 | $1,228.00 |

**includes the self-pay premium for Tier III coverage*

**Self-Pay Premium Rates for Retired Participants**

| Class | Coverage | Monthly Rates 1/01/17 to 12/31/17 | Monthly Rates Starting 1/01/18 |
|---|---|---|---|
| **Medicare Eligible Retirees** | | | |
| Medicare Eligible | Retiree Only | $25.00 | $25.00 |
| | Retiree + 1 | $50.00 | $50.00 |
| | Family | $75.00 | $75.00 |
| **Early Retiree - Tier I** | | | |
| Age 60 through Age 64 | Retiree Only | $31.00 | $32.00 |
| | Retiree + 1 | $77.00 | $79.00 |
| | Family | $102.00 | $104.00 |
| Age Under 60 | Retiree Only | $56.00 | $57.00 |
| | Retiree + 1 | $128.00 | $131.00 |
| | Family | $179.00 | $183.00 |
| **Early Retiree - Tier II** | | | |
| Age 60 through Age 64 | Retiree Only | $51.00 | $52.00 |
| | Retiree + 1 | $107.00 | $109.00 |
| | Family | $148.00 | $151.00 |
| Age Under 60 | Retiree Only | $92.00 | $94.00 |
| | Retiree + 1 | $179.00 | $183.00 |
| | Family | $255.00 | $261.00 |
| **Early Retiree - TIER III: Participants who Retired PRIOR to July 1, 2008** | | | |
| Age 60 through Age 64 | Retiree Only | $36.00 | $37.00 |
| | Retiree + 1 | $71.00 | $73.00 |
| | Family | $107.00 | $109.00 |
| Age Under 60 | Retiree Only | $102.00 | $104.00 |
| | Retiree + 1 | $163.00 | $167.00 |
| | Family | $214.00 | $219.00 |
| **Early Retiree - TIER III: Participants who Retired AFTER July 1, 2008** | | | |
| Age 60 through Age 64 | Retiree Only | $92.00 | $94.00 |
| | Retiree + 1 | $179.00 | $183.00 |
| | Family | $250.00 | $256.00 |
| Age Under 60 | Retiree Only | $163.00 | $167.00 |
| | Retiree + 1 | $296.00 | $303.00 |
| | Family | $429.00 | $439.00 |

2. Effective March 8, 2017, the coverage description for Autism Spectrum Disorder in the Medical Benefits Booklet is amended to allow coverage for Autism related Applied Behavior Analysis (ABA). Covered ABA therapy must be performed by a licensed therapist who is not a relative.

3. Effective March 8, 2017, the prescription drug benefit descriptions related to (1) coverage of cancer drugs which have not been approved by the FDA, and (2) the use of FDA approved drugs for purposes other than those approved by the FDA, will be modified as follows:

   A. The last paragraph of Section IV, B, 2. of the Summary Plan Description (SPD) regarding coverage for drugs prescribed for the treatment of cancer which have not been approved by the Food and Drug Administration (FDA) is deleted, and the relevant provisions remain those already existing in the Medical Benefits Booklet under Section II. D. 8. (Clinical Trials - Experimental or Investigational Treatment) which reads:

      ***"Covered expenses*** *include charges made for* ***experimental or investigational*** *drugs, devices, treatments or procedures "under an approved clinical trial" only when you have cancer or a terminal illness, and* ***all*** *of the following conditions are met:*

      - *Standard therapies have not been effective or are inappropriate;*
      - ***Aetna*** *determines, based on published, peer-reviewed scientific evidence that you may benefit from the treatment; and*
      - *You are enrolled in an approved clinical trial that meets these criteria.*

      *An "approved clinical trial" is a clinical trial that meets these criteria:*

      - *The FDA has approved the drug, device, treatment, or procedure to be investigated or has granted it investigational new drug (IND) or group c/treatment IND status. This requirement does not apply to procedures and treatments that do not require FDA approval.*
      - *The clinical trial has been approved by an Institutional Review Board that will oversee the investigation.*
      - *The clinical trial is sponsored by the National Cancer Institute (NCI) or similar federal organization.*
      - *The trial conforms to standards of the NCI or other, applicable federal organization.*
      - *The clinical trial takes place at an NCI-designated cancer center or takes place at more than one institution.*
      - *You are treated in accordance with the protocols of that study."*

   B. The third bullet point of Section IV, B, 5. (Exclusions) of the Summary Plan Description (SPD) regarding coverage of FDA approved drugs used for purposes other than those approved by the FDA is replaced with the following:

      - *"Food and Drug Administration (FDA) approved drugs used for purposes other than those approved by the FDA, unless standard therapies have not been effective or are inappropriate to treat your disease or disorder, and the PBM determines, based on sufficient published, peer-reviewed scientific evidence, that such drug has benefited other individuals with your disease or disorder, and that you may benefit from the treatment.*

This SMM is intended to provide you with an easy-to-understand description of certain changes and/or clarifications to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. If any conflict should arise between this SMM and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

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"). 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.