UFCW LOCAL 1262 AND EMPLOYERS HEALTH AND WELFARE FUND

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IMPORTANT NOTICE CONCERNING CHANGES TO YOUR HEALTH CARE PLAN

Summary of Material Modifications
December 2022

The Board of Trustees of the UFCW Local 1262 and Employers Health and Welfare Fund (the "Plan") is providing this notice (this "Notice") to make you aware of certain changes to the Plan. Read this Notice carefully. If you have any questions about any of the information in this Notice, please contact the Fund Office at the number above.

The following changes to your benefits are being made to comply with the Consolidated Appropriations Act of 2021 (including the No Surprises Act) and its implementing regulations and guidance (the "NSA"). These changes are effective as of December 1, 2022. All terms not defined herein have the meaning ascribed to them by the Plan.

No Surprises Services – In General

Notwithstanding any provision to the contrary, all No Surprises Services will be covered in accordance with the NSA. Accordingly, No Surprises Services are covered by the Plan without any need for pre-certification or prior authorization and as if those services had been provided by an in-network Provider. You cannot be balance billed by a Provider or facility for any No Surprises Services.

If you receive No Surprises Services from an out-of-network Provider that you thought was an in-network Provider, based on inaccurate information in a current Provider directory, then the No Surprises Services provided by that out-of-network Provider will be covered as if the Provider was an in-network Provider.

No Surprises Services – Key Definitions

"Ancillary Services" means, with respect to a visit to an in-network Health Care Facility or an in-network independent freestanding emergency department:

- Items and services related to emergency medicine, anesthesiology, pathology, radiology, and neonatology, whether provided by a physician or non-physician Practitioner;
- Items and services provided by assistant surgeons, hospitalists, and intensivists;
- Diagnostic services, including radiology and laboratory services; and
- Items and services provided by an out-of-network Provider if there is no in-network Provider who can furnish such item or service at such in-network Health Care Facility.

"**Health Care Facility**" means:

- A Hospital (including a critical access hospital, as defined by applicable law);
- A Hospital outpatient department; and
- An ambulatory surgical center, as defined by applicable law.

"**No Surprises Services**" are charges for:

- out-of-network Emergency Services;
- out-of-network Ancillary Services;
- certain non-emergency services (other than Ancillary Services) provided at or through an in-network facility by an out-of-network Provider with respect to which the Provider does not comply with the federal notice and consent requirements outlined in the NSA, and
- out-of-network air ambulance services.

"**Emergency Services**" means, with respect to an Emergency Medical Condition:

- An appropriate medical screening examination that is within the capability of the emergency department of a Hospital or of an independent freestanding emergency department, as applicable, including Ancillary Services routinely available to the emergency department to evaluate such Emergency Medical Condition; and
- Within the capabilities of the staff and facilities available at the Hospital or the independent freestanding emergency department, as applicable, such further medical examination and treatment as are required to stabilize you (regardless of the department of the Hospital in which such further examination or treatment is furnished); and
- Post-stabilization services provided by an out-of-network Provider or facility as part of outpatient observation or an inpatient or outpatient stay related to the emergency visit, until (a) the Provider or facility determines you are able to travel using nonmedical transportation or nonemergency medical transportation and (b) you are supplied with a written notice from the Provider or facility that satisfies the requirements of the NSA and you provide informed consent to give up your NSA protections.

"**Emergency Medical Condition**" means a medical condition, including mental health condition or substance use disorder, manifested by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson who possesses an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in serious impairment to bodily functions, serious dysfunction of any bodily organ or part, or placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy).

Cost Sharing for No Surprises Services

If you receive No Surprises Services, the most the Plan will require you to pay for copayments, deductibles and coinsurance related to the No Surprises Services ("cost sharing amounts") is what you would have paid if the services had been rendered in-network.

The Plan will credit cost sharing amounts for No Surprises Services toward your in-network deductible and out-of-pocket maximum.

External Review for No Surprises Services Claims

If you believe that the Plan has improperly denied your claim for No Surprises Act Services, and you have exhausted the Plan's internal claims and appeal procedures, you may be entitled to appeal the decision to an Independent Review Organization ("IRO") under the Plan's External Review process.

Independent Dispute Resolution for No Surprises Services

There is a separate federal process that Providers and facilities may use to dispute the amount the Plan pays for No Surprises Services. This process will not change the amount that you can be made to pay on these claims. For more information on this process, please contact the Fund Office.

Continuing Care Patients

If an in-network Provider or facility leaves the Plan's network, a Continuing Care Patient with that Provider or facility may elect continued coverage and the determination of applicable cost-sharing for such continuing care services as if that Provider or facility continued to be an in-network Provider or facility for up to 90 days.

You are a "**Continuing Care Patient**" if you meet one or more of the following conditions with respect to a Provider:

- Undergoing a course of treatment for a Serious and Complex Condition
- Undergoing a course of institutional or inpatient care
- Are scheduled for a non-elective surgery, including receipt of postoperative care
- Are pregnant and undergoing a course of treatment for the pregnancy
- Are receiving treatment for a terminal illness (see section 1861(dd)(3)(A) of the Social Security Act)

"**Serious and Complex Condition**" means one of the following:

1. in the case of an acute illness, a condition that is serious enough to require specialized medical treatment to avoid the reasonable possibility of death or permanent harm; or
2. in the case of a chronic illness or condition, a condition that is (a) life-threatening, degenerative, potentially disabling, or congenital; and (b) requires specialized medical care over a prolonged period of time.

This Notice is a Summary of Material Modifications ("SMM") within the meaning of section 104 of the Employee Retirement Income Security Act of 1974. An SMM describes changes to the information provided in the most recent SPD. The SMM describes important changes to the Plan effective as of the date listed above. Please keep this SMM with your SPD and other SMMs for future reference. Please contact the Fund Office if you have any questions. Receipt of this Notice does not constitute a determination of your eligibility for benefits under the Plan.