



# **MEBA** **Benefit Plans**

Safeguarding MEBA Members and Families

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## **MEBA MEDICAL AND BENEFITS PLAN SUMMARY OF MATERIAL MODIFICATION**

This Summary of Material Modification describes changes that have been made to the MEBA Medical and Benefits Plan's ("Plan") Summary Plan Description ("SPD"). The Plan's Board of Trustees has amended the Plan's provisions relating to the out-of-pocket limit, and has added a provision documenting the treatment of uncashed checks and payments due to missing participants.

### **Out-of-Pocket Limits**

Currently, the Plan's out-of-pocket limit is \$5,000 per calendar year, and combines both medical and prescription drug "out-of-pocket costs." This means that once you and your qualified dependents incur combined medical and prescription drug "out-of-pocket costs" of \$5,000 in a calendar year, the Plan pays 100% of the Allowable charge for all covered expenses for your family for the remainder of the calendar year.

Out-of-pocket costs are co-pays, the 10% (PPO) or 40% (non PPO) of covered hospital expenses, and the 20% (PPO) or 40% (non PPO) of covered non-hospital expenses you must pay, plus any annual deductible, and 20% prescription drug co-payments. Out-of-pocket costs do not include non-covered expenses, charges in excess of the Allowable charge, or penalties for failure to get a required pre-certification.

Effective January 1, 2019, the Plan will have separate out-of-pocket limits for medical benefits and prescription drug benefits and the SPD will be revised as follows:

- The language under the heading "Out-of-Pocket Limit" on page 10 of the SPD will be revised as follows:

### **OUT-OF-POCKET-LIMITS**

If you and your qualified dependents incur \$3,500 in "out-of-pocket costs" for covered medical expenses in a calendar year, the Plan will pay 100% of the Allowable charge for covered medical expenses for your family for the remainder of that calendar year.

If you and your qualified dependents incur \$1,500 in "out-of-pocket costs" for covered prescription drug expenses in a calendar year, the Plan will pay 100% of

the Allowable charge for covered prescription drug expenses for your family for the remainder of that calendar year.

- The Calendar Year Catastrophic Protection Out-of-Pocket Limit in the Plan Feature section of the “Summary of Benefits for Active Employees” chart on page 33 of the SPD will be revised as follows:

Plan Feature	Benefit
Calendar Year Catastrophic Protection Out-of-Pocket Limit	\$3,500 per family

- The Catastrophic Protection Rider section of the “Summary of Benefits for Pensioners with at least 15 but fewer than 20 years of Pension Credit” chart on page 51 of the SPD will be revised as follows:

<i>Medical Benefits</i>	
<b><i>Catastrophic Protection Rider:</i></b> If a pensioner and/or dependents incur out-of-pocket expenses (Annual Deductible and co-insurance) which exceed \$3,500 in a calendar year, additional covered medical expenses incurred during the remainder of the calendar year will be payable at 100% of allowed charges. Allowed charges are equal to 100% of the coverage available under the Federal Medicare Program (which normally provides coverage at 80% of covered charges)	<b><i>Catastrophic Protection Rider:</i></b> Not applicable.

- The “Summary of Benefits for Non-Medicare Eligible Pension with 20 or more years of Pension Credit” chart on page 53 of the SPD will be revised as follows:

Plan Feature	Benefit
Calendar Year Catastrophic Protection Out-of-Pocket Limit	\$3,500 per family

- The “Summary of Benefits for Medicare Eligible Pension with 20 or more years of Pension Credit” chart on page 55 of the SPD will be revised as follows:

***Catastrophic Protection Rider:*** If a pensioner and/or dependents incur out-of-pocket medical expenses (annual deductible, co-pays and co-insurance) which exceed \$3,500 in medical expenses in a calendar year, additional covered medical expenses incurred during the remainder of the calendar year will be payable at 100%. If a pensioner and/or dependents incur out-of-pocket prescription expenses (annual deductible, co-pays and co-insurance) which exceed \$1,500 in covered prescription drug expenses in a calendar year, additional covered prescription drug expenses incurred during the remainder of the calendar year will be payable at 100%.

### **Uncashed Checks and Payments Due to Missing Participants**

The Plan has been amended to document the process that applies where, after a reasonable effort is made to locate a person to whom benefits are payable, or for whom an uncashed check is outstanding, the person is not located or the check remains uncashed. A new paragraph will be added to immediately follow the second paragraph appearing under the heading "How to File a Claim" on page 60, with an effective date of January 1, 2018, and will read as follows:

#### **HOW TO FILE A CLAIM**

If a participant or a provider of services become eligible for benefits under the Plan and after making a reasonable effort to locate the person to whom the benefits are payable, the benefits otherwise payable will be forfeited as of the end of the plan year that follows the plan year in which the benefits become payable. Similarly, if a check is issued to a participant or a provider of service but remains uncashed, and after making a reasonable effort to locate the person to whom the check was issued (or if the person is located but fails to cash the check), the uncashed check will be forfeited as of the end of the plan year that includes the twelfth month after the date such check was issued. The Plan will keep a record of the undeliverable benefits or check and if the person to whom the benefits or check is payable makes proper claim for such amounts, the Plan will pay such amounts to the person, but without interest.

If you have any questions regarding these changes, call the Plan Office's Member Services Department at 410-547-9111 or 800-811-6322. Keep this notice with your SPD so that when you refer to the SPD, you will be reminded of the above changes.



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Ann S. Gilchrist, Administrator