

**FIRST SUMMARY DESCRIPTION OF MATERIAL MODIFICATION
OF THE PAINTING INDUSTRY INSURANCE FUND
SUMMARY PLAN DESCRIPTION DATED JANUARY 1, 2019**

NOTICE OF CHANGES TO YOUR HEALTH PLAN

I. INTRODUCTION

This document is called a Summary of Material Modifications (“SMM”). An SMM designed to describe modifications to the Painting Industry Insurance Fund Summary Plan Description (“SPD”) previously sent to you effective January 1, 2019. This SMM discusses three (3) changes to the Painting Industry Insurance Fund (“Plan”). First, the Plan will exclude coverage for medical expenses related to gene therapy as of July 25, 2019. Second, the amount of the Early Retirement Subsidy for Participants who retire on or after July 25, 2019 will be changed in the manner described below. *Importantly, this change does not impact anyone who retired before July 25, 2019.* Third, beginning on January 1, 2020, the Plan will cover online visits through LiveHealth, at 100% with \$0 copayment.

After careful review, the Trustees have determined that the gene therapy exclusion and changes to the Early Retirement Subsidy are necessary due to increasing medical costs. Additionally, the increased coverage under the LiveHealth benefit will enable Participants and their beneficiaries to continue to access quality medical care at a cost-effective rate. All these changes will help ensure that the Plan continues to provide valuable medical coverage to all Participants and their beneficiaries.

This document should be read in conjunction with the SPD which was provided to you previously. The information contained in this Summary Description Material Modification (hereinafter “Summary Description”) supersedes what is contained in the SPD. However, this Summary Description changes only the provisions to which it specifically refers and any other provisions in the SPD have not been materially modified. All changes are effective on the dates indicated.

II. GENE THERAPY EXCLUSION

Gene Therapies will be excluded from coverage effective July 25, 2019. Previously, FDA approved Gene Therapies would have been covered under the plan. However, due to the extreme costs of these treatments which could affect the overall funding of the Plan, gene therapy is being excluded from coverage going forward. Accordingly, effective July 25, 2019, Article III, Section D entitled “Exclusions,” will be amended to add a new exclusion number 65 to read as follows:

- 65. Charges for Gene Therapy treatment and all services related thereto, including, but not limited to, Kymriah, Yescarta, Luxturna and Zolgensma.

III. EARLY RETIREE SUBSIDY

The status of the early retiree subsidy fund was recently reviewed by the Board of Trustees. In order to assure that this benefit account remains adequately funded, the subsidy amount will be based on a percentage of the retiree insurance premium cost going forward. ***Participants who retired on or before July 25, 2019 will not be affected by this change.*** If you retired on or before July 25, 2019, you will continue to receive the same Subsidy Amount of \$560.60 going forward.

If you retire on or after July 25, 2019, your subsidy will be a percentage of the monthly retiree insurance premium and will vary depending on your age. The Subsidy will be calculated as follows:

<i>Early Retirement Subsidy:</i>		
	Participant Monthly Payment	Monthly Subsidy Amount
If you retire between the ages of 55 through 59:	40%	60%
If you retire between the ages of 60 through 64:	35%	65%

Accordingly, effective July 25, 2019, subsection (4) of Article IV, Section C, of the Plan Document is deleted and will be amended to read as follows:

4. The Participant must be between the ages of 55 and 65 years old.

If the Participant retires at an age younger than 55, the Participant can contribute at the full premium until such time that he turns 55. At the point that the Participant turns 55, the Participant will be eligible to receive the Subsidy Amount.

For all Participants who have retired prior to July 25, 2019, the subsidy Amount is a total of \$560.60 per monthly insurance premium self-payment.

For all Participants who retire on or after July 25, 2019, the Subsidy Amount will be based on the following percentages of the current applicable monthly insurance premium self-payment established by the Board of Trustees:

- a. Retirees ages 55 through 59 will receive a Subsidy Amount equal to 60% of the monthly retiree insurance premium self-payment;
- b. Retirees ages 60 to age 65 will receive a Subsidy Amount equal to 65% of the monthly insurance premium self-payment.

The Trustees may review and change the Subsidy Amount on an annual basis. These subsidies are only available prior to the Participant turning 65 years old. If the Participant's spouse is younger than 65 at the time that the Participant reaches that age, they can continue the insurance at the full premium rate.

IV. INCREASED LIVEHEALTH BENEFIT (ONLINE MEDICINE)

Effective January 1, 2020, the Plan will cover online visits with a physician through LiveHealth Services at 100% with \$0 copayment. These services are available for both Medical and Behavioral Health/Substance Abuse Benefits covered under the Plan. Therefore, the schedule of benefits to the Plan is amended as follows:

1. Article III, Section C (“Comprehensive Major Medical Plan Schedule of Benefits”) is amended by removing the “Behavioral Health/Substance Abuse Care” description box at the top of page 18 and replacing it in its entirety with the following:

Benefits	Participant Responsibility	
	Network	Out-of-Network
Behavioral Health/Substance Abuse Care		
Hospital Inpatient Services	20%	40%
Outpatient Services	20%	40%
Physician Services (Office Visits)	\$20	40%
Online Visits from LiveHealth Online Provider	\$0	Out-of-Network and non LiveHealth online providers not covered.

2. Article III, Section C, entitled “Comprehensive Major Medical Plan Schedule of Benefits,” is amended by removing the “Physician Services (Home and Office Visits)” description box at the top of page 23 and replacing it in its entirety with the following:

Benefits	Participant Responsibility	
	Network	Out-of-Network
Note: Copayments only apply to certain services. When a Copayment applies, the Deductible is waived. All Covered Services are subject to the Deductible and applicable Coinsurance unless otherwise specified in this SPD.		
Physician Services (Home and Office Visits)		
Primary Care Physician Copayment (per office visit)	\$20	40%
Specialist Physician Copayment (per visit)	\$20	40%
Office Surgery	20%	40%
Online Visits from LiveHealth Online Provider (other than Behavioral Health and Substance Abuse; see Behavioral Health and Substance Care section for further details)	\$0	Out-of-Network and non LiveHealth online providers not covered.
Prescription Injectables/Prescription Drugs Dispensed in the Physician’s Office	20%	20%

V. CONCLUSION

As stated in the Introduction, this Summary Description should be read in conjunction with the SPD. Information contained in this Summary Description supersedes what is contained in the SPD. However, this Summary Description changes only the provisions to which it specifically refers and any other provisions in the SPD have not been materially modified.

**BOARD OF TRUSTEES OF THE
PAINTING INDUSTRY INSURANCE FUND**