

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

**NOTICE OF CHANGES TO YOUR PRESCRIPTION BENEFIT PLAN
FOR SPECIALTY DRUGS**

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 as well as the Summary of Benefits and Coverage (“SBC”) sent to you in December of 2019. This SMM discusses changes to the Painting Industry Insurance Fund (“Plan”) relating to the coverage of Specialty Drugs. The cost of providing Specialty Drug benefits continues to increase dramatically and threaten the funding of the Plan. In order to continue providing comprehensive benefits while also keeping the Plan financially strong, the Board of Trustees has determined to make certain changes to your Plan related to coverage of Specialty Drugs effective December 1, 2020.

The Plan has retained a new Pharmacy Benefit Manager, EmpiRx Health where you can initiate a prescription transfer or request a new prescription for Specialty Drugs by calling 1-888-309-1654. The Plan has also engaged a Specialty Healthcare Advocacy Service through PaydHealth, LLC to provide Plan participants with financial case management for Specialty Drugs, products and services included on the Specialty List of the Pharmacy Benefit Manager in order to reduce costs for the Plan and Plan Participants.

Prior to this change, the Plan provided for 20% coinsurance for only injectable drugs. Beginning December 1, 2020, the Plan will provide for 100% coinsurance and require participants to enroll in its Specialty Healthcare Advocacy Program (“SHAP”) for all Specialty Drugs (including, but not limited to, injectable drugs) that are included on the Pharmacy Benefit Manager’s Specialty List. For a copy of the current Specialty List, you may contact the new Pharmacy Benefit Manager, EmpiRx at 1-888-309-1654. The SHAP is designed to provide a Specialty Healthcare Case Coordinator to assist Participants to find alternate funding programs to assist in the cost of such Specialty Drugs on the Specialty List. In the event a Participant is unable to obtain alternate funding for the cost of Specialty List Drugs, they will be permitted to appeal to the Board of Trustees for the Plan to cover the cost at 20% coinsurance. The Trustees will make the determination on a case by case basis in their full discretion in keeping with their duty to assure adequate funding of the Health Plan for all other benefits.

Enrollment in the SHAP for Specialty List Drugs is mandatory. If you are seeking coverage for a drug on the Specialty List and do not follow the requirements of the SHAP, your out-of-pocket cost will remain one hundred percent (100%) of the pharmacy or provider’s usual and customary charge and your costs will not apply to your annual out-of-pocket maximum or your deductible.

Accordingly, the following changes have been made to your SPD effective December 1, 2020. First, Section C of Article III of the SPD entitled “Comprehensive Major Medical Plan Schedule of Benefits” is hereby amended by removing the “Physician Services (Home and Office

Visits)” box of the chart at the top of page 23 and replacing the box in its entirety with the following:

Benefits	Participant Responsibility	
	Network	Out-of-Network
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.
Specialty Drugs Dispensed in the Physician’s Office	20%	20%

In addition, Section V of Article III of the SPD entitled “Prescription Drugs” is deleted in its entirety and replaced with the following Section V:

V. PRESCRIPTION DRUGS

All prescriptions are processed through the Plan’s Pharmacy Benefit Manager. A prescription card is provided to all Participants. The co-payment per prescription that is payable by the Participant is as follows:

Generic Drug.....	\$10.00
Preferred Brand (per formulary).....	\$30.00
Non-Preferred Brand (per formulary).....	\$60.00

There is no maximum out of pocket per year.

Mail Order Prescriptions are available. Using mail order, the Participant can receive a 90-day supply for the following co-pays:

Generic Drug.....	\$20.00
Preferred Brand (per formulary).....	\$60.00
Non-Preferred Brand (per formulary).....	\$120.00

The following provisions also apply to the Plan’s prescription drug coverage:

1. Regarding coverage of Over the Counter Drugs, the Plan covers over the counter Prilosec, Claritin & Claritin-D at a \$0 co-pay. Each subsequent prescription drug that goes over the counter will be reviewed by the Board for coverage approval.
2. Specialty Drugs are covered with a 20% co-pay. You have an annual out-of-pocket maximum of \$5,000.00 on Specialty Drugs only.
3. **Specialty Drug Program:** Specialty Drugs, products and services included and noted on the Specialty List that have been specifically designated by the Plan’s Pharmacy Benefit Manager are subject to prior authorization, step-therapy, and administrative review prior to the specified Plan coverage limits applying as set forth in paragraph 2 above. The member coinsurance for drugs on the Specialty List will be 100% of the discounted cost and will not apply to your annual maximum or deductible. The Plan has retained a Healthcare Advocacy Services provider that will provide a Specialty Healthcare Case

Coordinator to assist participants in reducing the costs of Specialty Drugs on the Specialty List. Plan Participants seeking coverage for Specialty Drugs on the Specialty List are required to enroll in the Specialty Healthcare Advocacy Program (“SHAP”). Under the SHAP, such Participants will be required to complete the application process, in good faith, for alternate funding programs identified by the Specialty Healthcare Case Coordinator. Completing the enrollment application, meeting medical necessity and step-therapy criteria are pre-requisites to receiving any coverage under the Plan for Specialty Drugs, products or healthcare included on the Specialty List. If you choose not to enroll in the SHAP, the co-insurance or out-of-pocket cost for Specialty Drugs will be 100% of the pharmacy or provider’s usual and customary charge and your costs will not apply to your annual maximum amount or deductible.

If you are NOT eligible for an identified alternate funding program through the SHAP, your Specialty Healthcare Case Coordinator will automatically submit your case for benefit reconsideration under the Plan’s appeal process. The Trustees, in their discretion, may adjust your out-of-pocket costs to the appropriate co-insurance and other cost-sharing amounts for Specialty Drugs set forth in paragraph 2 above. If your appeal is approved, your out-of-pocket costs will never exceed those shown in paragraph 2 above.

4. The Plan utilizes a Mandatory Generic Program. You are responsible for the cost difference of the generic versus the brand name drug in addition to the applicable Co-pay if you choose a brand name drug over the generic equivalent.
5. The Plan utilizes a Formulary Program. The Co-pays will be \$20.00 for preferred brand listed on the Pharmacy Benefit Manager’s Formulary list and \$30.00 for non-preferred brand name drugs not listed on the Pharmacy Benefit Manager’s Formulary list.
6. Certain Migraine drugs can only be covered in limited quantities. The chart set forth below references the quantity limits per prescription for the medications listed:

Drug Name	Quantity Limits
Amerge tabs	9 tabs per medication
Axert tabs	9 tabs per medication
Frova tabs	9 tabs per medication
Maxalt tabs	9 tabs per medication
Relpax tabs	9 tabs per medication
Sumatriptan tabs	9 tabs per medication
Zomig tabs	9 tabs per medication
Sumatriptan Ini. (cartridges)	2 kits (4 doses)
Sumatriptan NS 20 mg	1 box (6 doses/6 ml)
Sumatriptan NS 5 mg	3 boxes (18 doses/18 ml)
Sumatriptan Inj. Vial	5 vials (5 doses/2.5 ml)
Zomig NS	6 units (1 pack)

You may receive more than the Quantity Limits set forth above if your physician presents a letter of medical necessity for the increased Quantity.

7. You will be required to engage in a step therapy program for the medications listed in the table below. Under a step therapy program, you are required to try the most-cost effective medication for your condition first before progressing to other more costly medications/therapies. In step therapy, medications are grouped into two categories, 1st Step and 2nd Step. 1st Step are first line medications, mostly generic medications proven safe, effective, and affordable. You are required to try these types of medications first. 2nd Step are second line medications, mostly higher cost brand name medications. After you try a 1st Step medication, if it does not provide you with the therapeutic benefit desired, your physician may write a prescription for a 2nd Step medication; however, 2nd Step

medications require the usage and failure of a 1st Step medication before qualifying for coverage. The following medications are subject to step therapy:

Step Therapy	Criteria
Statin Step Therapy (Cholesterol control)	Must have tried and failed a generic 1 st Step statin prior to obtaining a branded 2 nd Step statin
Proton Pump Inhibitors (PPI's)	Must have tried and failed Omeprazole, Prilosec OTC, or Pantoprazole prior to utilizing branded PPI
Sleep Aid Step Therapy (Hypnotics)	Must have tried and failed zolpidem or zaleplon prior to using Ambien CR, Rozerem, or Lunesta
Bisphosphonates (Osteoporosis agents)	Must have tried and failed generic alendronate prior to obtaining Actonel, Boniva or Fosamax
Rheumatoid Arthritis Specialty Medications	Must have tried and failed Humira or Enbrel prior to obtaining Kineret, Cimzia or Simponi and have complied with the Plan's Specialty Healthcare Advocacy Program
Multiple Sclerosis Specialty Medications	Must have tried and failed Copaxone or Betaseron prior to obtaining Avonex, Rebif or Extavia and have complied with the Plan's Specialty Healthcare Advocacy Program
Hepatitis C Specialty Medications	Must have tried and failed Pegasys/Peg-Intron prior to obtaining Intron-A or Infergen and have complied with the Plan's Specialty Healthcare Advocacy Program

8. Allegra and Allegra-D OTC are covered for you at no co-pay both at retail pharmacies and through mail-order (90-day supply).

Thirdly, Section FFFF of Article XIII of the SPD defining “Specialty Drugs” is also deleted and amended to read as follows:

FFFF. SPECIALTY DRUGS

“Specialty Drugs” mean Prescription Drugs (1) prescribed for a person with a complex or chronic medical condition, defined as a physical, behavioral, or developmental condition; (2) prescribed for a rare or orphan disease indication; (3) requiring additional patient education, adherence and support beyond traditional dispensing activities; (4) with a high monthly cost; (5) requiring specific storage or shipment requirements; and/or (6) may be distributed under a limited distribution or as part of a U.S. Food and Drug Administration-approved Risk Evaluation and Mitigation Strategies (REMS) program.

Lastly, a new Section QQQQ is added to the end of Article XIII to define “Specialty List” as follows:

QQQQ. SPECIALTY LIST

“Specialty List” means a list of Prescription Drugs, products or services typically prescribed by a specialist that may require special handling, storage, transportation services or enhanced clinical monitoring by a specialist or specialty pharmacy provider. The Specialty List is updated periodically by the Plan's Pharmacy Benefit Manager to address changes in prescription labeling, new market entrants, and safety and efficacy considerations, and each listed item requires Plan prior authorization, step-therapy,

administrative review for coverage, and enrollment in the Plan’s Specialty Healthcare Advocacy Program (“SHAP”).

The Summary of Benefits and Coverage (“SBC”) previously sent to you also has been modified effective December 1, 2020. The row of the chart entitled “If you need drugs to treat your illness or condition” will be replaced with the following effective December 1, 2020:

<p>If you need drugs to treat your illness or condition</p> <p>More information about prescription drug coverage is available at 1-440-260-0615</p>	Generic Drugs	\$10 copayment retail; \$20 copayment mail order	<p>The deductible does not apply. The Plan covers over the counter Prilosec, Claritin, and Claritin-D at a \$0 co-pay. The Plan utilizes a Mandatory Generic Program.</p>
	Preferred Brand (per formulary)	\$30 copayment retail; \$60 copayment mail order	
	Non-Preferred Brand (per formulary)	\$60 copayment retail; \$120 copayment mail order	<p>You are responsible for the cost difference of the generic versus the brand drug in addition to the applicable co-pay if you choose a brand drug over the generic equivalent.</p> <p>For Drugs on the Pharmacy Benefit Manager’s Specialty List, Participant coinsurance is 100%, and Participants must take part in the Plan’s Specialty Healthcare Advocacy Program.</p>
	Specialty (brand and generic)	In addition to the co-pays listed above, Specialty Drugs are covered with a 20% co-pay and must be preauthorized. There is an annual out-of-pocket maximum on Specialty Drugs.	

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 and SBC. However, this Summary Description changes only the provisions to which it specifically refers and any other provisions in the SPD and SBC have not been materially modified. All changes are effective December 1, 2020.

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