TEAMSTERS LOCAL UNION 786 BUILDING MATERIALS

WELFARE AND PENSION FUNDS

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CHICAGO, ILLINOIS 60607

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Dear Participant:

You are being provided this notice to summarize certain changes and clarify certain provisions under the Welfare Benefit Plan (the "Plan") sponsored by the Building Material Chauffeurs, Teamsters and Helpers Welfare Fund of Chicago (the "Fund"), as described below.

Advantages of Using PPO Network Providers

As a reminder, when you use Physician, Hospitals, and other providers that are PPO providers, your out-of-pocket expenses generally will be lower because:

- The Plan pays a higher percentage with respect to medical care provided by PPO providers (90% as opposed to 80% for non-PPO providers) – in other words, your Coinsurance responsibility is lower;
- The PPO has negotiated rates with PPO Providers such that the charges for services are lower; and
- PPO Providers are not permitted to "balance bill" you for the difference between the negotiated rate and the billed amount (whereas Non-PPO providers may be permitted to balance bill for amounts above what the Plan considers to be the "Reasonable and Customary Charge").

Note: The Plan pays 80% of the Reasonable and Customary Charge (defined by the Plan as 135% of the base Medicare rate) with respect to services received from non-PPO medical providers. Generally, non-PPO providers may balance bill you for the difference between the Reasonable and Customary Charge and the billed amount. The Plan will not pay these amounts, and these charges do not count towards satisfaction of the deductible or out-of-pocket limit – rather it is your responsibility to pay these excess amounts, which could be quite significant.

Notwithstanding the preceding, non-PPO providers of Emergency Services and air ambulance services and certain non-PPO Providers performing services at PPO facilities are legally restricted in their ability to balance bill for charges above legally determined amounts. You will receive more information as to these restrictions in the explanation of benefits with respect to relevant claims.

To find out whether a medical provider is in the PPO network, contact BlueCross Blue Shield at 800-810-2583 or go to www.bcbsil.com.

Coverage for COVID Vaccines Continues

The Plan will continue to provide coverage for COVID vaccines for people of all ages and health conditions with no cost sharing (meaning they are covered at 100% without application of the deductible) regardless of any changes in recommendations from the Centers for Disease Control (CDC).

Increase in Weekly Credits to Health Reimbursement Account

Effective January 1, 2026, the amount credited to your Health Reimbursement Account (HRA) has been increased from $10 to $20 per week for every week that you work at least two days. This means that you will have more money available to reimburse "Qualifying Health Care Expenses" (as defined in the Summary Plan Description), which include amounts that you pay towards the Plan's deductible as well as co-payments and Coinsurance.

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The Plan believes that it is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the "ACA"). As permitted by the ACA, a grandfathered health plan can preserve certain basic health coverage that was already in effect when the ACA was enacted. Being a grandfathered health plan means that the Plan may not include certain consumer protections of the ACA that apply to other plans, such as the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the ACA, such as the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Plan Administrator at the address and telephone number listed below. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

Questions regarding the contents of this notice can be directed to the Fund Office at 300 South Ashland Avenue, Suite 500, Chicago, Illinois 60607; (312) 666-1875.

Jeffrey Hoff
Plan Manager