

SOUTHERN CALIFORNIA DRUG BENEFIT FUND
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November 10, 2021

To: All active Employees, their Dependents, and COBRA beneficiaries in the Gold and Platinum Plans of the Southern California Drug Benefit Fund

From: Southern California Drug Benefit Fund

This Summary of Material Modifications (SMM) describes changes that have been made to the Gold and Platinum Plans of the Southern California Drug Benefit Fund as a result of collective bargaining.

The changes described in this notice are generally effective January 1, 2022.

Please read this notice carefully and keep it with your important plan materials. Capitalized terms in this SMM have the same meaning as in your Summary Plan Description.

**REDUCTION TO MEDICAL CALENDAR YEAR DEDUCTIBLE
EFFECTIVE JANUARY 1, 2022**

Effective January 1, 2022, the In-Network Calendar Year Deductible (“Deductible”) is being reduced from \$500 per person/\$1,000 per family to \$300 per person/\$600 per family. For the Gold and Platinum Indemnity Medical Plans, this reduction applies only to the In-Network Deductible that applies when you use PPO Providers.

These reductions to the Calendar Year Deductible also apply to each of the HMO medical plan options, i.e., to the Kaiser and UnitedHealthcare HMO Plans.

**IMPROVEMENT TO INDEMNITY DENTAL PLAN
EFFECTIVE JANUARY 1, 2022**

Effective January 1, 2022, the annual benefit maximum for the Indemnity Dental Plan will increase from \$1,800 to \$2,000 per person per calendar year for adults ages 19 and older.

ROLLOVER OF UNUSED VISION BENEFIT

EFFECTIVE JANUARY 1, 2022

If you do not use your \$135 vision benefit or use only part of your \$135 vision benefit in a calendar year, the unused portion of your benefit will rollover for use in the next calendar year.

In any given calendar year, the maximum amount that may be rolled over from the prior year is \$135. Therefore, the maximum vision benefit that could be available in any calendar year is \$270.

This benefit change is effective for use in the 2022 calendar year. Thus, up to \$135 of unused vision benefits from 2021 will be available to use in the 2022 calendar year.

\$1.00 PER WEEK INCREASE TO EMPLOYEE CONTRIBUTIONS

EFFECTIVE WITH THE FIRST PAY PERIOD

WITHIN YOUR EMPLOYER'S FEBRUARY 2022 PAYROLL PERIOD

FOR MAY 2022 COVERAGE

The weekly amount deducted from your paycheck to pay your Employee Contributions will increase by \$1.00 per week, effective with payroll deductions from your Employer's February 2022 payroll period. The monthly Employee Contribution amount required for coverage will increase by the equivalent of \$1.00 per week, effective for the coverage month of May 2022. Specifically, Employee Contributions for each coverage level will increase as follows:

- **For Employee-only:** increases from \$7.00 to \$8.00 per week (from \$30.33 to \$34.67 per month).
- **For Employee plus child(ren):** increases from \$11 to \$12 per week (from \$47.67 to \$52.00 per month).
- **For Employee plus Spouse/Domestic Partner, with or without children:** increases from \$15 to \$16 per week (from \$65.00 to \$69.33 per month).

This change is effective with payroll deductions taken from your Employer's February 2022 payroll period (which may begin as early as mid-January) and applies to the coverage month of May 2022.

If you have previously completed an Authorization For Payroll Deduction form and do not make any changes to your coverage, the amount of your weekly payroll deduction will automatically increase by \$1.00, effective with the first pay period within your Employer's February 2022 payroll period. You do not have to do anything for the change to become effective.

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In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan. Please keep this important notice with your SPD and other plan materials for easy reference to all Plan provisions. Should you have any questions, please contact the Fund Office.

Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions regarding the Plan changes, please contact the Fund Office.