

MICHIGAN CARPENTERS' FRINGE BENEFIT FUNDS

Michigan Carpenters' Health Care Fund
Michigan Carpenters' Pension Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

July 2017

To: **ALL PLAN PARTICIPANTS AND ALTERNATE PAYEES OF THE
MICHIGAN CARPENTERS' HEALTH CARE FUND**

Dear Plan Participants:

We have attached the following Important Notices and Annual Report for your review. These Notices and Report are required to be mailed to each Plan Participant annually as provided by the Employee Retirement Income Security Act of 1974 (ERISA):

- Important Notice regarding Health Care Benefits Page 2
- Notice of Privacy Practices Page 3 - 9
- Important Information for all Medicare Beneficiaries who are also
Participants of the Health Care Plan Pages 10 – 12
- Summary of Material Modification for the Health Care Fund Page 13
- Summary Annual Report for the Health Care Fund Pages 14 – 15
- Women's Health and Cancer Rights Page 16
- Newborns' and Mothers' Health Protection Act Page 17
- Premium Assistance Under Medicaid and the Children's Health Insurance
Program (CHIP) Pages 18 - 21

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a Federal law gives you more choices about your prescription drug coverage. Please see pages 10-12 for more details.

If you have any questions, please contact your Local Union office or the Fund Office.

Sincerely,

Board of Trustees
Michigan Carpenters' Health Care Fund

***IMPORTANT NOTICE REGARDING
HEALTH CARE BENEFITS***

TO: All Eligible Participants of the Michigan Carpenters' Health Care Fund

RE: MICHIGAN CARPENTERS' HEALTH CARE FUND

Dear Plan Participant:

As a reminder, the Michigan Carpenters' Health Care Fund ***does not provide for any coverage for Motor Vehicle related accidents or incidents.*** The Fund will totally and completely exclude coverage for any claim arising out of an auto or other vehicular related accident or incident.

To make certain that you have health care coverage if you have a vehicular accident/incident, you should check with your automobile insurance agent and/or insurance carrier to make sure that you are covered under your automobile policy "first and completely" for any claim arising out of a vehicular related accident or incident. You should make it perfectly clear to your agent or carrier that the Fund excludes such coverage from its Schedule of Benefits; thus it is imperative that your policy has the proper coverage to protect you and your dependents.

If you have any questions regarding these changes, please do not hesitate to contact the Fund Office.

Sincerely,

Board of Trustees
Michigan Carpenters' Health Care Fund

NOTICE OF PRIVACY PRACTICES

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Effective Date of Notice
September 23, 2013

The Michigan Carpenters' Health Care Fund, (the "Plan") is required by law to take reasonable steps to ensure the privacy of your personally identifiable health information and to inform you about:

1. the Plan's uses and disclosures of Protected Health Information (PHI);
2. your privacy rights with respect to your PHI;
3. the Plan's duties with respect to your PHI;
4. your right to file a complaint with the Plan and to the Secretary of the U.S. Department of Health and Human Services; and
5. the person or office to contact for further information about the Plan's privacy practices.

The term "Protected Health Information" (PHI) includes all individually identifiable health information transmitted or maintained by the Plan, regardless of form (oral, written, electronic).

Section 1 Notice of PHI Uses and Disclosures

Required PHI Uses and Disclosures

Upon your request, the Plan is required to give you access to your PHI in order to inspect and copy it. Use and disclosure of your PHI may be required by the Secretary of the Department of Health and Human Services to investigate or determine the Plan's compliance with the privacy regulations.

Uses and disclosures to carry out treatment, payment and health care operations.

The Plan and its business associates will use PHI without your authorization to carry out treatment, payment and health care operations. The Plan and its business associates (and any health insurers providing benefits to Plan participants) may also disclose the following to the Plan's Board of Trustees: (1) PHI for purposes related to Plan administration (payment and health care operations); (2) summary health information for purposes of health or stop loss insurance underwriting or for purposes of modifying the Plan; and (3) enrollment information (whether an individual is eligible for benefits under the Plan). The Trustees have amended the Plan to protect your PHI as required by federal law.

Treatment is the provision, coordination or management of health care and related services. It also includes but is not limited to consultations and referrals between one or more of your providers.

For example, the Plan may disclose to a treating physician the name of your treating radiologist so that the physician may ask for your X-rays from the treating radiologist.

Payment includes but is not limited to actions to make coverage determinations and payment (including billing, claims processing, subrogation, reviews for medical necessity and appropriateness of care, utilization review and pre-authorizations).

For example, the Plan may tell a treating doctor whether you are eligible for coverage or what percentage of the bill will be paid by the Plan.

Health care operations include but are not limited to quality assessment and improvement, reviewing competence or qualifications of health care professionals, underwriting, premium rating and other insurance activities relating to creating or renewing insurance contracts. It also includes case management, conducting or arranging for medical review, legal services and auditing functions including fraud and abuse compliance programs, business planning and development, business management and general administrative activities. However, no genetic information can be used or disclosed for underwriting purposes.

For example, the Plan may use information to project future benefit costs or audit the accuracy of its claims processing functions.

Uses and disclosures that require that you be given an opportunity to agree or disagree prior to the use or release.

Unless you object, the Plan may provide relevant portions of your protected health information to a family member, friend or other person you indicate is involved in your health care or in helping you receive payment for your health care. Also, if you are not capable of agreeing or objecting to these disclosures because of, for instance, an emergency situation, the Plan will disclose protected health information (as the Plan determines) in your best interest. After the emergency, the Plan will give you the opportunity to object to future disclosures to family and friends.

Uses and disclosures for which your consent, authorization or opportunity to object is not required.

The Plan is allowed to use and disclose your PHI without your authorization under the following circumstances:

- (1) For treatment, payment and health care operations.
- (2) Enrollment information.
- (3) Summary health information to the Trustees for the purposes designated above.
- (4) When required by law.
- (5) When permitted for purposes of public health activities, including when necessary to report product defects and to permit product recalls. PHI may also be disclosed if you have been exposed to a communicable disease or are at risk of spreading a disease or condition, if required by law.
- (6) When required by law to report information about abuse, neglect or domestic violence to public authorities if there exists a reasonable belief that you may be a victim of abuse, neglect or domestic violence. In such case, the Plan will promptly inform you that such a disclosure has been or will be made unless that notice would cause a risk of serious harm. For the purpose of reporting child abuse or neglect, it is not necessary to inform the minor that such a disclosure has been or will be made. Disclosure may generally be made to the minor's parents or other representatives although there may be circumstances under federal or state law when the parents or other representatives may not be given access to the minor's PHI.

- (7) The Plan may disclose your PHI to a public health oversight agency for oversight activities required by law. This includes uses or disclosures in civil, administrative or criminal investigations; inspections; licensure or disciplinary actions (for example, to investigate complaints against providers); and other activities necessary for appropriate oversight of government benefit programs (for example, to investigate Medicare or Medicaid fraud).
- (8) The Plan may disclose your PHI when required for judicial or administrative proceedings. For example, your PHI may be disclosed in response to a subpoena or discovery request.
- (9) When required for law enforcement purposes, including for the purpose of identifying or locating a suspect, fugitive, material witness or missing person. Also, when disclosing information about an individual who is or is suspected to be a victim of a crime but only if the individual agrees to the disclosure or the Plan is unable to obtain the individual's agreement because of emergency circumstances. Furthermore, the law enforcement official must represent that the information is not intended to be used against the individual, the immediate law enforcement activity would be materially and adversely affected by waiting to obtain the individual's agreement and disclosure is in the best interest of the individual as determined by the exercise of the Plan's best judgment.
- (10) When required to be given to a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death or other duties as authorized by law. Also, disclosure is permitted to funeral directors, consistent with applicable law, as necessary to carry out their duties with respect to the decedent.
- (11) When consistent with applicable law and standards of ethical conduct if the Plan, in good faith, believes the use or disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public and the disclosure is to a person reasonably able to prevent or lessen the threat, including the target of the threat.
- (12) When authorized by and to the extent necessary to comply with workers' compensation or other similar programs established by law.

Except as otherwise indicated in this notice, uses and disclosures will be made only with your written authorization subject to your right to revoke such authorization.

Uses and disclosures that require your written authorization.

Other uses or disclosures of your protected health information not described above will only be made with your written authorization. For example, in general and subject to specific conditions, the Plan will not use or disclose your psychiatric notes; the Plan will not use or disclose your protected health information for marketing; and the Plan will not sell your protected health information, unless you provide a written authorization to do so. You may revoke written authorizations at any time, so long as the revocation is in writing. Once the Plan receives your written revocation, it will only be effective for future uses and disclosures. It will not be effective for any information that may have been used or disclosed in reliance upon the written authorization and prior to receiving your written revocation.

Section 2 Rights of Individuals

Right to Request Restrictions on Uses and Disclosures of PHI

You may request the Plan to restrict the uses and disclosures of your PHI. However, the Plan is not required to agree to your request (except that the Plan must comply with your request to restrict a disclosure of your confidential information for payment or health care operations if you paid for the services to which the information relates in full, out of pocket).

You or your personal representative will be required to submit a written request to exercise this right. Such requests should be made to the Plan's Privacy Official, Marlene McDiarmid, at: Michigan Carpenters' Health Care Fund, 6525 Centurion Drive, Lansing, Michigan 48917, (800) 273-5739.

Right to Request Confidential Communications

The Plan will accommodate reasonable requests to receive communications of PHI by alternative means or at alternative locations if necessary to prevent a disclosure that could endanger you.

You or your personal representative will be required to submit a written request to exercise this right. Such requests should be made to the Plan's Privacy Official, Marlene McDiarmid, at: Michigan Carpenters' Health Care Fund, 6525 Centurion Drive, Lansing, Michigan 48917, (800) 273-5739.

Right to Inspect and Copy PHI

You have a right to inspect and obtain a copy of your PHI contained in a "designated record set," for as long as the Plan maintains the PHI. If the information you request is in an electronic designated record set, you may request that these records be transmitted electronically to yourself or a designated individual.

"Protected Health Information" (PHI) includes all individually identifiable health information transmitted or maintained by the Plan, regardless of form.

"Designated Record Set" includes the medical records and billing records about individuals maintained by or for a covered health care provider; enrollment, payment, billing, claims adjudication and case or medical management record systems maintained by or for the Plan; or other information used in whole or in part by or for the Plan to make decisions about individuals. Information used for quality control or peer review analyses and not used to make decisions about individuals is not in the designated record set.

The requested information will be provided within 30 days if the information is maintained on site or within 60 days if the information is maintained off site. A single 30-day extension is allowed if the Plan is unable to comply with the deadline.

You or your personal representative will be required to submit a written request to request access to the PHI in your designated record set. Such requests should be made to the Plan's Privacy Official, Marlene McDiarmid.

If access is denied, you or your personal representative will be provided with a written denial, setting forth the basis for the denial, a description of how you may appeal the Plan's decision and a description of how you may complain to the Secretary of the U.S. Department of Health and Human Services.

The Plan may charge a reasonable, cost-based fee for copying records at your request.

Right to Amend PHI

You have the right to request the Plan to amend your PHI or a record about you in your designated record set for as long as the PHI is maintained in the designated record set.

The Plan has 60 days after the request is made to act on the request. A single 30-day extension is allowed if the Plan is unable to comply with the deadline. If the request is denied in whole or part, the Plan must provide you with a written denial that explains the basis for the denial. You or your personal representative may then submit a written statement disagreeing with the denial and have that statement included with any future disclosures of your PHI.

Such requests should be made to the Plan's Privacy Official, Marlene McDiarmid, at: Michigan Carpenters' Health Care Fund, 6525 Centurion Drive, Lansing, Michigan 48917, (800) 273-5739.

You or your personal representative will be required to submit a written request to request amendment of the PHI in your designated record set.

Right to Receive an Accounting of PHI Disclosures

At your request, the Plan will also provide you an accounting of disclosures by the Plan of your PHI during the six years prior to the date of your request. However, such accounting will not include PHI disclosures made: (1) to carry out treatment, payment or health care operations; (2) to individuals about their own PHI; (3) pursuant to your authorization; (4) prior to April 14, 2003; and (5) where otherwise permissible under the law and the Plan's privacy practices. In addition, the Plan need not account for certain incidental disclosures.

If the accounting cannot be provided within 60 days, an additional 30 days is allowed if the individual is given a written statement of the reasons for the delay and the date by which the accounting will be provided.

If you request more than one accounting within a 12-month period, the Plan will charge a reasonable, cost-based fee for each subsequent accounting.

Such requests should be made to the Plan's Privacy Official, Marlene McDiarmid, at: Michigan Carpenters' Health Care Fund, 6525 Centurion Drive, Lansing, Michigan 48917, (800) 273-5739.

Right to Receive a Paper Copy of This Notice Upon Request

You have the right to obtain a paper copy of this Notice.

Such requests should be made to the Plan's Privacy Official, Marlene McDiarmid, at: Michigan Carpenters' Health Care Fund, 6525 Centurion Drive, Lansing, Michigan 48917, (800) 273-5739.

A Note About Personal Representatives

You may exercise your rights through a personal representative. Your personal representative will be required to produce evidence of his/her authority to act on your behalf before that person will be given access to your PHI or allowed to take any action for you. Proof of such authority may take one of the following forms:

1. a power of attorney for health care purposes;
2. a court order of appointment of the person as the conservator or guardian of the individual; or
3. an individual who is the parent of an unemancipated minor child may generally act as the child's personal representative (subject to state law).

The Plan retains discretion to deny access to your PHI by a personal representative to provide protection to those vulnerable people who depend on others to exercise their rights under these rules and who may be subject to abuse or neglect.

Section 3 The Plan's Duties

The Plan is required by law to maintain the privacy of PHI and to provide individuals (participants and beneficiaries) with notice of the Plan's legal duties and privacy practices.

This Notice is effective September 23, 2013, and the Plan is required to comply with the terms of this Notice. However, the Plan reserves the right to change its privacy practices and to apply the changes to any PHI received or maintained by the Plan prior to that date. If a privacy practice is changed, a revised version of this Notice will be provided to all participants for whom the Plan still maintains PHI.

The revised Notice will be distributed in the same manner as the initial Notice was provided or in any other permissible manner.

If the revised version of this Notice is posted on the Plan's website, www.michigancarpenters.org, you will also receive a copy of the Notice, or information about any material change and how to receive a copy of the Notice in the Plan's next annual mailing. Otherwise, the revised version of this Notice will be distributed within 60 days of the effective date of any material change to the Plan's policies regarding the uses or disclosures of PHI, the individual's privacy rights, the duties of the Plan or other privacy practices stated in this Notice.

Minimum Necessary Standard

When using or disclosing PHI or when requesting PHI from another covered entity, the Plan will make reasonable efforts not to use, disclose or request more than the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure or request, taking into consideration practical and technological limitations. When required by law, the Plan will restrict disclosures to the limited data set, or otherwise as necessary, to the minimum necessary information to accomplish the intended purpose.

However, the minimum necessary standard will not apply in the following situations:

1. disclosures to or requests by a health care provider for treatment;
2. uses or disclosures made to the individual;
3. disclosures made to the Secretary of the U.S. Department of Health and Human Services;
4. uses or disclosures that are required by law; and
5. uses or disclosures that are required for the Plan's compliance with legal regulations.

De-Identified Information

This notice does not apply to information that has been de-identified. De-identified information is information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used to identify an individual.

Summary Health Information

The Plan may disclose "summary health information" to the Trustees for obtaining insurance premium bids or modifying, amending or terminating the Plan. "Summary health information" summarizes the claims history, claims expenses or type of claims experienced by participants and excludes identifying information in accordance with HIPAA.

Notification of Breach

The Plan is required by law to maintain the privacy of participants' PHI and to provide individuals with notice of its legal duties and privacy practices. In the event of a breach of unsecured PHI, the Plan will notify affected individuals of the breach.

Section 4

Your Right to File a Complaint With the Plan or the HHS Secretary

If you believe that your privacy rights have been violated, you may complain to the Plan. Such complaints should be made to the Plan's Privacy Official, Marlene McDiarmid.

You may file a complaint with the Secretary of the U.S. Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue SW, Washington, D.C. 20201.

The Plan will not retaliate against you for filing a complaint.

Section 5

Whom to Contact at the Plan for More Information

If you have any questions regarding this notice or the subjects addressed in it, you may contact the Plan's Privacy Official. Such questions should be directed to the Plan's Privacy Official, Marlene McDiarmid, at: Michigan Carpenters' Health Care Fund, 6525 Centurion Drive, Lansing, Michigan 48917, (800) 273-5739.

Conclusion

PHI use and disclosure by the Plan is regulated by a federal law known as HIPAA (the Health Insurance Portability and Accountability Act). You may find these rules at 45 *Code of Federal Regulations* Parts 160 and 164. The Plan intends to comply with these regulations. This Notice attempts to summarize the regulations. The regulations will supersede any discrepancy between the information in this Notice and the regulations.

**IMPORTANT INFORMATION FOR ALL
MEDICARE BENEFICIARIES WHO ARE ALSO PARTICIPANTS OF THE
MICHIGAN CARPENTERS' HEALTH CARE FUND**

TO: PARTICIPANTS IN THE SUPPLEMENT TO MEDICARE PROGRAM
MICHIGAN CARPENTERS' HEALTH CARE FUND

RE: **MEDICARE PART D PRESCRIPTION DRUG COVERAGE**

Dear Participant:

As you know, on January 1, 2006, the new Medicare Part D Prescription Drug Coverage became effective for those eligible for Medicare.

This letter briefly explains the Medicare Part D Prescription Drug Coverage and how it may affect you because as a Supplement to Medicare Retiree you currently have **NO** prescription drug benefit under the Michigan Carpenters' Health Care Plan.

This letter also confirms that because you currently have **NO** prescription drug benefit under the Michigan Carpenters' Health Care Plan, the Plan's prescription drug coverage is "non-creditable." This means that it is **NOT** as good as the new Medicare Part D Prescription Drug Coverage.

Below is important information related to Medicare Part D. Please read this material carefully and save this letter.

1. **Q. WHO ACTUALLY PROVIDES THE PRESCRIPTION DRUG BENEFIT UNDER MEDICARE PART D?**
 - A. Drug benefits under Medicare Part D are provided by private insurers that are approved, subsidized and regulated by Medicare. These private insurers range from national health insurance companies to smaller regional health insurance companies. Many of these private companies will offer several options which will vary considerably in their costs.

2. **Q. HOW DOES MY CURRENT PLAN PRESCRIPTION DRUG BENEFIT COMPARE TO THE NEW MEDICARE PART D PRESCRIPTION DRUG COVERAGE?**
 - A. The Michigan Carpenters' Health Care Plan does **NOT** offer you any prescription drug coverage. So, the Plan's drug coverage is "**non-creditable.**" In other words, the Plan's coverage is **NOT** as good as the standard Medicare Part D coverage.

3. **Q. WHAT DOES "CREDITABLE COVERAGE" AND "NON-CREDITABLE COVERAGE" MEAN?**
 - A. "**Creditable Coverage**" means that an insurance plan is expected to pay for prescription drugs, on average for all of that insurance plan's participants, at least as much as a standard Medicare

Part D Prescription Drug Coverage will pay. In other words, "Creditable Coverage" means that an insurance plan's prescription drug coverage is, on average, at least as good as the standard Medicare Part D Prescription Drug Coverage.

"*Non-Creditable Coverage*" means that the amount the insurance plan is expected to pay for prescription drugs is, on average for all plan participants, *less than* what the Medicare Part D Prescription Drug Coverage is expected to pay on average.

4. **Q. ARE THERE ANY ADVANTAGES IN MY ENROLLING IN THE MEDICARE PART D PRESCRIPTION DRUG COVERAGE PROGRAM?**
- A. There may be because your Michigan Carpenters' Health Care Plan does *NOT* provide you any prescription drug coverage.
5. **Q. IF I ENROLL IN MEDICARE PART D, CAN I STILL PARTICIPATE IN THE MICHIGAN CARPENTERS' HEALTH CARE PLAN?**
- A. Yes.
6. **Q. WHAT HAPPENS IF I DON'T ENROLL IN THE MEDICARE PART D PRESCRIPTION PROGRAM WHEN I AM ENTITLED TO ENROLL BUT LATER DECIDE TO ENROLL IN THAT PROGRAM?**
- A. In this circumstance, you will be penalized for your late enrollment, because your Michigan Carpenters' Health Care Plan drug coverage is "non-creditable." If you don't enroll during this period, you'll pay a penalty for your late enrollment.
7. **Q. WHAT IS THE PENALTY?**
- A. The penalty for late enrollment in Medicare Part D is an increase in your monthly premium payment. Specifically, your monthly premium will be higher by one percent (1%) per month for every month that you failed to enroll in Medicare Part D. So, for example, if you are six (6) months late in enrolling in Medicare Part D, your monthly premium will be six percent (6%) higher.
8. **Q. HOW LONG DO THE PENALTIES LAST?**
- A. All penalties last for as long as you participate in Medicare Part D program. So, in the example above, you'll pay a 6% higher monthly premium for as long as you're in the Medicare Part D Program.
9. **Q. ARE THERE SPECIFIC TIMES WHEN I CAN ENROLL IN MEDICARE PART D AFTER THE INITIAL ENROLLMENT PERIOD?**
- A. Yes. When you first become entitled to Medicare benefits, there is also an *annual* enrollment period for Medicare Part D. This *annual* period will be October 15th through December 7th of

each year. But, remember, if you missed the *first* enrollment period, but later enroll during the annual enrollment period, you will still pay a monthly penalty.

10. Q. WHERE CAN I GET MORE INFORMATION ABOUT THIS NOTICE OR MY CURRENT PLAN PRESCRIPTION DRUG COVERAGE?

A. Contact the Plan office for further information at (800) 273-5739. You may also request a copy of this Notice from the Plan office at 6525 Centurion Drive, Lansing, MI 48917-9275. You will also receive this Notice in the future, including before the next Medicare Part D enrollment period.

11. Q. WHERE CAN I GET MORE INFORMATION ABOUT MY OPTIONS UNDER MEDICARE PART D?

A. The *Medicare & You 2017* handbook will provide you more detailed information about Medicare-approved plans that offer prescription drug coverage. You will get a copy of it from Medicare in the mail. Or, you may be contacted directly by the Medicare prescription drug plans. You can also get more information about Medicare prescription drug plans from these places:

- www.medicare.gov for personalized help in comparing your Plan benefits with Medicare Part D;
- your State Health Insurance Assistance Program (see your copy of *Medicare & You 2017* handbook for their telephone number);
- call 1-800-MEDICARE (1-800-633-4227). TTY users can call 1-877-486-2048.

12. Q. I HAVE EXTREMELY LIMITED INCOME, IS THERE ANY EXTRA HELP AVAILABLE FOR ME?

A. Yes, for people with limited income and resources, there is extra help to pay for the Medicare Prescription Drug Plan. Information for this extra help is available from the Social Security Administration office (SSA). For more information about this extra help, visit SSA online at www.socialsecurity.gov or call them at 1-800-772-1213. (TTY users should call 1-800-325-0778).

Sincerely,

Board of Trustees
Michigan Carpenters' Health Care Fund

TO: PLAN PARTICIPANTS OF THE MICHIGAN CARPENTERS' HEALTH CARE FUND

RE: SUMMARY OF MATERIAL MODIFICATIONS

Dear Plan Participant:

This Notice, known as a Summary of Material Modifications ("SMM"), describes changes in the Fund's Plan adopted by the Trustees during the 2015 Plan Year and after the Plan Year ended. It is an amendment to the Summary Plan Description ("SPD"), you received previously. You should keep this SMM with the SPD for future reference.

The Board of Trustees as of today's date is:

Kevin Klingler, **Chairman**
2310 West Washtenaw Avenue
Lansing, MI 48917

Michael J. Jackson, Sr.
Michigan Regional Council of Carpenters
400 Renaissance Center, Suite 1010
Detroit, MI 48243

Brian Kerrigan
Carpenters Local No. 1510
1221 Division Street
Marquette, MI 49855

Chad Miller
Carpenters Local No. 525
3617 Gembrit Circle
Kalamazoo, MI 49001

Leon Turnwald
Carpenters Local No. 706
3160 Commerce Centre
Saginaw, MI 48601

Robert Root, **Secretary**
Forrester Construction Company
4330 S. Williams Road
Manistique, MI 49854

Gary Benjamin
Gundlach Champion, Inc.
180 Traders Mine Road
Iron Mountain, MI 49801

Scott Fisher
AGC of Michigan
2323 North Larch
Lansing, MI 48906

William Hendrick, III
2885 S. Graham Road
Saginaw, MI 48609

John Kersaan
Grand River Construction Inc.
5025 40th Avenue
Hudsonville, MI 49426-9401

Bob Spence
Spence Brothers
417 McCoskry
Saginaw, MI 48601

TO: PLAN PARTICIPANTS OF MICHIGAN CARPENTERS' HEALTH CARE FUND

RE: **SUMMARY ANNUAL REPORT FOR 2016**

Dear Plan Participant:

This is a summary of the Annual Report of the Michigan Carpenters' Health Care Fund, Employer Number 38-6058383, Plan No. 501, for the period September 1, 2015 through August 31, 2016. The Annual Report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Board of Trustees has committed itself to pay certain medical, surgical and other health care claims incurred under the terms of the Plan.

INSURANCE INFORMATION

The Plan has a Stop Loss Insurance contract with Blue Cross Blue Shield of Michigan to pay certain excess claims incurred under the terms of the Plan. The total premiums paid for the Plan Year ending August 31, 2016 were \$460,718.

BASIC FINANCIAL STATEMENT

The value of Plan Assets, after subtracting Liabilities of the Plan, was \$3,917,811 as of August 31, 2016, compared to \$6,188,735 as of September 1, 2015. During the Plan Year, the Plan experienced a decrease in its Net Assets of (\$2,270,924). This decrease includes unrealized appreciation in the value of Plan Assets; that is, the difference between the value of the Plan's Assets at the end of the year and the value of the Assets at the beginning of the year or the cost of the Assets acquired during the year. During the current Plan Year, the Plan had Total Income of \$24,537,745, including Employer Contributions of \$18,774,109, Employee Contributions of \$4,910,125, Earnings from Investments of (\$1,085,595) and Other Income of \$1,939,106.

Plan expenses were \$26,808,669. These expenses included \$2,716,720 in Administrative Expenses (*see Schedule A*) and \$24,091,949 in benefits paid or incurred on behalf of Participants and Beneficiaries.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment;
4. Insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full Annual Report, or any part thereof, write or call the office of the Board of Trustees, Michigan Carpenters' Health Care Fund, 6525 Centurion Drive; Lansing, MI 48917 or at Toll Free (800) 273-

5739 or (517) 321-7502. The charge to cover copying costs will be \$5.00 for the full Annual Report or twenty-five cents per page for any part thereof.

You also have the right to receive from the Plan Administrative Manager, on request and at no charge, a statement of the Assets and Liabilities of the Plan and accompanying notes, or a statement of Income and Expenses of the Plan and accompanying notes, or both. If you request a copy of the full Annual Report from the Plan Administrative Manager, these two statements and accompanying notes will be included as part of that Report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the Report because these portions are furnished without charge.

You also have the legally protected right to examine the Annual Report at the main office of the Plan (Board of Trustees, Michigan Carpenters' Health Care Fund, 6525 Centurion Drive; Lansing, MI 48917), at any other location where the report is available for examination, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Sincerely,

Board of Trustees
Michigan Carpenters' Health Care Fund

Schedule A: Administrative Expenses

Administrative manager's fee: *			
Basic	\$469,873	Member communications	\$18,171
Supplement to Medicare	79,000	Bank service charges	17,713
Flex benefits	57,600	Consulting fee	15,000
Other	<u>8,023</u>	Trustee and fiduciary liability	
	614,496	insurance and bonding	13,062
Claims administration fee	1,642,331	Actuarial fee	11,000
Payroll audit fees	93,924	Notice to participants	5,800
Collection fees and expenses	72,872	Investment expense	4,662
Legal fees	59,221	Telephone	2,962
Computer processing costs	49,576	Form 5500 and 990 preparation	
Printing and miscellaneous	43,773	fee	1,500
Conference and meetings	26,087	ERISA reporting costs	1,320
Audit fee	22,000	Educational foundation dues	<u>1,250</u>
			<u>\$2,716,720</u>

*Includes rent, equipment, staffing, regular postage, computer services, etc.

To: PLAN PARTICIPANTS OF MICHIGAN CARPENTERS' HEALTH CARE FUND

Re: **WOMEN'S HEALTH AND CANCER RIGHTS**

Dear Plan Participant:

The Trustees of your Health Care Fund are issuing this annual notice in compliance with the Women's and Cancer Rights Act of 1998. Your Health and Welfare Plan already provides the benefits required by this new law. You have a right to this notice, and the Trustees are providing the notice for your information so that you may be assured that you are treated in accordance with Federal law if the need arises.

The Federal law requires that all health care plans that provide medical and surgical benefits for mastectomies provide to Participants and Beneficiaries receiving mastectomy benefits and who elect mastectomy related breast reconstruction with coverage for the following:

- **Reconstruction of the breast on which the mastectomy has been performed;**
- **Surgery and reconstruction of the other breast to produce a symmetrical appearance; and**
- **Prostheses and physical complications of all stages of mastectomy including lymph-edemas; in a manner determined in consultation with the attending physician and the patient. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage.**

The Fund has provided coverage for mastectomies for a number of years. As part of this coverage, the Plan also covered the procedures necessary to effect reconstruction of the breast on which the mastectomy was performed, as well as the cost of prostheses and physical complications of all stages of mastectomy, including lymph edemas, as recommended by the attending physician of any patient receiving Plan benefits in connection with the mastectomy and in consultation with the patient. The Plan also covers any surgery and reconstruction of the other breast to achieve a symmetrical appearance.

Please keep this notice with your Summary Plan Description. If you have any questions regarding these federal requirements, please contact the Fund Office.

Sincerely

Board of Trustees
Michigan Carpenters' Health Care Fund

TO: All Eligible Participants of the Michigan Carpenters' Health Care Fund

RE: **NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT**

Dear Plan Participant:

Rights Under the Newborns' and Mothers' Health Protection Act (Newborns' Act).

Group health plan and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

If you have any questions regarding these changes, please do not hesitate to contact the Fund Office.

Sincerely,

Board of Trustees
Michigan Carpenters' Health Care Fund

Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit www.healthcare.gov.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or www.insurekidsnow.gov to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at www.askebsa.dol.gov or call 1-866-444-EBSA (3272).

If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of January 31, 2017. Contact your State for more information on eligibility –

ALABAMA – Medicaid	FLORIDA – Medicaid
Website: http://myalhipp.com/ Phone: 1-855-692-5447	Website: http://flmedicaidplrecovery.com/hipp/ Phone: 1-877-357-3268
ALASKA – Medicaid	GEORGIA – Medicaid
The AK Health Insurance Premium Payment Program Website: http://myakhipp.com/ Phone: 1-866-251-4861 Email: CustomerService@MyAKHIPP.com Medicaid Eligibility: http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx	Website: http://dch.georgia.gov/medicaid - Click on Health Insurance Premium Payment (HIPP) Phone: 404-656-4507
ARKANSAS – Medicaid	INDIANA – Medicaid
Website: http://myarhipp.com/ Phone: 1-855-MyARHIPP (855-692-7447)	Healthy Indiana Plan for low-income adults 19-64 Website: http://www.in.gov/fssa/hip/ Phone: 1-877-438-4479 All other Medicaid Website: http://www.indianamedicaid.com Phone 1-800-403-0864

<p>COLORADO – Health First Colorado (Colorado’s Medicaid Program) & Child Health Plan Plus (CHP+)</p>	<p>IOWA – Medicaid</p>
<p>Health First Colorado Website: https://www.healthfirstcolorado.com/ Health First Colorado Member Contact Center: 1-800-221-3943/ State Relay 711 CHP+: colorado.gov/HCPF/Child-Health-Plan-Plus CHP+ Customer Service: 1-800-359-1991/ State Relay 711</p>	<p>Website: http://dhs.iowa.gov/ime/members/medicaid-a-to-z/hipp Phone: 1-888-346-9562</p>
<p>KANSAS – Medicaid</p>	<p>NEW HAMPSHIRE – Medicaid</p>
<p>Website: http://www.kdheks.gov/hcf/ Phone: 1-785-296-3512</p>	<p>Website: http://www.dhhs.nh.gov/oii/documents/hippapp.pdf Phone: 603-271-5218</p>
<p>KENTUCKY – Medicaid</p>	<p>NEW JERSEY – Medicaid and CHIP</p>
<p>Website: http://chfs.ky.gov/dms/default.htm Phone: 1-800-635-2570</p>	<p>Medicaid Website: http://www.state.nj.us/humanservices/dmahs/clients/medicaid/ Medicaid Phone: 609-631-2392 CHIP Website: http://www.njfamilycare.org/index.html CHIP Phone: 1-800-701-0710</p>
<p>LOUISIANA – Medicaid</p>	<p>NEW YORK – Medicaid</p>
<p>Website: http://dlh.louisiana.gov/index.cfm/subhome/1/n/331 Phone: 1-888-695-2447</p>	<p>Website: https://www.health.ny.gov/health_care/medicaid/ Phone: 1-800-541-2831</p>
<p>MAINE – Medicaid</p>	<p>NORTH CAROLINA – Medicaid</p>
<p>Website: http://www.maine.gov/dhhs/ofi/public-assistance/index.html Phone: 1-800-442-6003 TTY: Maine relay 711</p>	<p>Website: https://dma.ncdhhs.gov/ Phone: 919-855-4100</p>
<p>MASSACHUSETTS – Medicaid and CHIP</p>	<p>NORTH DAKOTA – Medicaid</p>
<p>Website: http://www.mass.gov/eohhs/gov/departments/masshealth/ Phone: 1-800-462-1120</p>	<p>Website: http://www.nd.gov/dhs/services/medicalserv/medicaid/ Phone: 1-844-854-4825</p>
<p>MINNESOTA – Medicaid</p>	<p>OKLAHOMA – Medicaid and CHIP</p>
<p>Website: http://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/medical-assistance.jsp Phone: 1-800-657-3739</p>	<p>Website: http://www.insureoklahoma.org Phone: 1-888-365-3742</p>

<p align="center">MISSOURI – Medicaid</p> <p>Website: http://www.dss.mo.gov/mhd/participants/pages/hipp.htm Phone: 573-751-2005</p>	<p align="center">OREGON – Medicaid</p> <p>Website: http://healthcare.oregon.gov/Pages/index.aspx http://www.oregonhealthcare.gov/index-es.html Phone: 1-800-699-9075</p>
<p align="center">MONTANA – Medicaid</p> <p>Website: http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP Phone: 1-800-694-3084</p>	<p align="center">PENNSYLVANIA – Medicaid</p> <p>Website: http://www.dhs.pa.gov/provider/medicalassistance/healthinsurancepremiumpaymenthippprogram/index.htm Phone: 1-800-692-7462</p>
<p align="center">NEBRASKA – Medicaid</p> <p>Website: http://dhhs.ne.gov/Children_Family_Services/AccessNebraska/Pages/accessnebraska_index.aspx Phone: 1-855-632-7633</p>	<p align="center">RHODE ISLAND – Medicaid</p> <p>Website: http://www.eohhs.ri.gov/ Phone: 401-462-5300</p>
<p align="center">NEVADA – Medicaid</p> <p>Medicaid Website: https://dwss.nv.gov/ Medicaid Phone: 1-800-992-0900</p>	<p align="center">SOUTH CAROLINA – Medicaid</p> <p>Website: https://www.scdhhs.gov Phone: 1-888-549-0820</p>
<p align="center">SOUTH DAKOTA - Medicaid</p> <p>Website: http://dss.sd.gov Phone: 1-888-828-0059</p>	<p align="center">WASHINGTON – Medicaid</p> <p>Website: http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program Phone: 1-800-562-3022 ext. 15473</p>
<p align="center">TEXAS – Medicaid</p> <p>Website: http://gethipptexas.com/ Phone: 1-800-440-0493</p>	<p align="center">WEST VIRGINIA – Medicaid</p> <p>Website: http://www.dhhr.wv.gov/bms/Medicaid%20Expansion/Pages/default.aspx Phone: 1-877-598-5820, HMS Third Party Liability</p>
<p align="center">UTAH – Medicaid and CHIP</p> <p>Medicaid Website: https://medicaid.utah.gov/ CHIP Website: http://health.utah.gov/chip Phone: 1-877-543-7669</p>	<p align="center">WISCONSIN – Medicaid and CHIP</p> <p>Website: https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf Phone: 1-800-362-3002</p>
<p align="center">VERMONT– Medicaid</p> <p>Website: http://www.greenmountaincare.org/ Phone: 1-800-250-8427</p>	<p align="center">WYOMING – Medicaid</p> <p>Website: https://wyequalitycare.acs-inc.com/ Phone: 307-777-7531</p>
<p align="center">VIRGINIA – Medicaid and CHIP</p> <p>Medicaid Website: http://www.coverva.org/programs_premium_assistance.cfm Medicaid Phone: 1-800-432-5924 CHIP Website: http://www.coverva.org/programs_premium_assistance.cfm CHIP Phone: 1-855-242-8282</p>	

To see if any other states have added a premium assistance program since January 31, 2017, or for more information on special enrollment rights, contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/agencies/ebsa
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
www.cms.hhs.gov
1-877-267-2323, Menu Option 4, Ext. 61565

Paperwork Reduction Act Statement

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average approximately seven minutes per respondent. Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Employee Benefits Security Administration, Office of Policy and Research, Attention: PRA Clearance Officer, 200 Constitution Avenue, N.W., Room N-5718, Washington, DC 20210 or email ebsa.oopr@dol.gov and reference the OMB Control Number 1210-0137.