

Questions about Your Benefits?
Call the Fund office at (877) 850-0977. Press "1" to reach the Automated Benefit Information System or Press "2" to speak with a representative.

For Your Benefit

Operating Engineers Local No. 77

April 2012 Vol. 12, No. 2

www.associated-admin.com

CVS Caremark Now Requires Prior Authorization On Certain Drugs

As of April 1, 2012 CVS Caremark requires that certain prescriptions now require prior authorization before being covered. **This** prior authorization requirement is only applicable to the medications set forth in the table shown on page 2. Each of the listed medications has other therapeutically equivalent options

that are less costly, and in most cases at least as effective. And remember, if any medication is excluded from coverage by the other terms of the Plan, it would not be covered, even if medically necessary. If you and your physician agree to switch to the alternative medication, prior authorization would not be necessary.

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Retirees: Retiree Information Forms Are Being Sent This Month. Return Promptly to Avoid Suspension of Benefits.



This month, the Fund office will send Retiree Information Forms (RIFs) to be completed and returned to the Fund office. The form asks questions about your current address, beneficiary information, and employment information (if you are employed after retirement).

Even if you completed this form last year, you still must complete and return this year's RIF. It is very important that you review all sections of this form to be certain the information is correct. If necessary, mark corrections on the form and promptly send it back to the Fund

office. **If we don't receive your RIF, your benefits may be suspended until it is received.** To assist you, the Fund office will include a postage-paid, return envelope with the first mailing.

No one but the Retiree can sign the RIF, unless an individual holds a Power of Attorney for the Retiree. A copy of the Power of Attorney must be on file with the Fund office. If, for health reasons, the Retiree is unable to sign the form and there is no Power of Attorney on file, then the Retiree must sign an "X" on the RIF and have it notarized showing the Notary Public seal.

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Summary of Material Modifications (Changes) This Issue!

- Operating Engineers Union Local No. 77 Health and Welfare Fund
- Operating Engineers Union Local No. 77 Pension Fund
- Operating Engineers Union Local No. 77 Individual Account Fund

The purpose of this newsletter is to explain your benefits in easy, uncomplicated language. It is not as specific or detailed as the formal Plan documents. Nothing in this newsletter is intended to be specific medical, financial, tax, or personal guidance for you to follow. If for any reason, the information in this newsletter conflicts with the formal Plan documents, the formal Plan documents always govern.

2012 Formulary Prior Authorization Implementation Form
List of products subject to PA as of April 1, 2012

Category*	Drug Subject to Prior Authorization	Alternative Drug Options
Drug Class		
Allergies*	Beconase AQ, Omnaris, Rhinocort Aqua	Flunisolide spray, Fluticasone spray, Triamcinolone spray, Nasonex, and Veramyst
Nasal Steroids		
Asthma*	Maxair, Xopenex HFA	Proair HFA, Proventil HFA, Ventolin HFA
Beta Agonists, Short-Acting		
Depression*	Olepto	Trazodone
Antidepressants		
Dermatology*	Brevoxyl, Neobenz Micro	Benzoyl Peroxide
Acne		
Dermatology*	Olux-E	Clobetasol Propionate Foam 0.05%
Skin Inflammation and Hives Corticosteroids		
Diabetes*	Fortamet, Glumetza, Riomet	Metformin Extended-Release
Biguanides		
Diabetes*	Tradjenta	Januvia, Onglyza
Dipeptidyl Peptidase-4 (DPP-4) Inhibitors		
Diabetes*	Humalog, Humalog Mix 50/50, Humalog Mix 75/25, Humulin 70/30, Humulin N, Humulin R	Novolog, Novolog Mix 70/30, Novollin R, Novolin N
Insulins		
Diabetes*	Freestyle Strips & Kits	Accu-Check Kits and TestStrips, One Touch Kits and Test Strips
Supplies		
Erectile Dysfunction*	Levitra	Cialis, Viagra
Phosphodiesterase		
High Blood Pressure*	Atacand, Edarbi, Teveten	losartan, Benicar, Diovan, Micardis
Angiotensin II Receptor / Antagonists		
High Blood Pressure*	Atacand HTC, Teveten HTC	losartan/Hydrochlorothiazide, Benicar HCT, Diovan HCT, Micardia HCT
Angiotensin II Receptor Antagonists / Diuretic Combinations		
High Cholesterol*	Altoprev, Livalo	lovastine, Pravastatin, Simvastatin, Crestor, Lipitor
HMG Co-A Reductase Inhibitors (HMGs or Statins)		
High Cholesterol*	Advicor	Simcor
HMG Co-A Reductase Inhibitors / Niacin Combinations		
Overactive Bladder/Incontinence*	Oxytrol, Sanctura XR, Toviaz	Oxybutynin Extended-Release, Detrol, Detrol LA, Enablex, Gelnique, Vesicare
Urinary Antispasmodics		
Pain & Inflammation*	Arthrotec, Flector	Dicofenac, Dicofenac w/Misoprostol, Meloxicam, Meloxicam w/Misoprostol, Naproxen, Naproxen w/Misoprostol, Celebrex, Vimovo
Nonsteroidal Anti Inflammatory (NSAIDs) / Combinations		
Pain*	Ryzolt	Tramadol Extended-Release
Non-Narcotic Analgesics		
Testosterone Replacement*	Axiron, Fortesta, Testim	Androderm, Androgel
Androgens		

There may be other covered options available that don't require prior authorization, such as generic drugs or preferred drugs.

1. Ask your doctor to write a new prescription(s) for a covered option (generic or preferred drugs).
2. Fill your new prescription(s):
 - a. Through retail: Have your doctor call in the new prescription(s) to your local pharmacy.

b. Through mail: Your doctor can call in the new prescription(s) to Caremark toll free at 1-800-378-5697 or you can call Caremark toll free at 1-866-251-9383 and Caremark will contact your doctor for you.

If your doctor thinks there's a clinical reason why a generic or preferred drug won't work for you, have your doctor call Caremark at 1-855-240-0536 to request prior authorization for your current drug(s).



Annual Dollar Limit on Essential Health Benefits Is Now \$1,250,000

Material Modification

Effective January 1, 2012, the overall annual dollar limit on essential health benefits under the Plan has increased from \$1,000,000 to \$1,250,000 for participants and eligible dependents.



Q&A: Relief for Those with Spring Allergies

Q: Since the beginning of the warmer weather, I have been suffering from spring allergies with sneezing, stuffy nose and watery eyes. Does my health coverage pay for treatment?

A: Yes. Your Plan of benefits covers the cost of diagnosis and treatment of allergy shots through the injection of allergy serum. The cost of treatment is covered at 80%, up to the Usual, Customary and Reasonable ("UCR") amount, with a \$300 deductible per year. However, antihistamine injections are not covered.





Prescription Benefits Through CVS

Shown below are the co-pay rates you pay if purchasing generic drugs and the percentage of the cost you are responsible to pay if purchasing brand-name drugs at a CVS Pharmacy or through CVS Caremark Mail Service Pharmacy.

	Network Retail Pharmacy	CVS/pharmacy	Mail Service Pharmacy
	For immediate and long-term* medicine needs	For immediate and long-term* medicine needs	For long-term* medicine needs
Up to a 30-Day Supply:	Participant Pays: <ul style="list-style-type: none"> • \$5 for each generic medicine • 40% for each brand-name medicine on the drug list 	Participant Pays: <ul style="list-style-type: none"> • \$5 for each generic medicine • 40% for each brand-name medicine on the drug list 	Up to a 90-day supply
Maximum Allowable Benefit:	\$10,000 per year	\$10,000 per year	
Refill Limit:	One initial fill plus three refills for long-term* medicines.	One initial fill plus three refills for long-term* medicines per rolling year	Participant Pays: <ul style="list-style-type: none"> • \$10 for each generic medicine • 40% for each brand-name medicine on the drug list
90-Day Supply:	Not Available	Participant Pays: <ul style="list-style-type: none"> • \$10 for each generic medicine • 40% for each brand-name medicine on the drug list 	

* A long-term medicine is taken regularly for chronic conditions or long-term therapy.

Four Easy Ways to Contact CVS Caremark:

1. Caremark.com

Caremark.com is an easy, round-the clock way to order refill prescriptions, check order status and get important medication information.

2. Automated Phone System

Call toll-free 1-866-282-8503 for the CVS Caremark fully automated refill phone service.

3. Customer Care

If you need assistance you can contact Customer Care 24 hours a day, 7 days a week. You have two easy ways to reach them: by email at customerservice@caremark.com or call toll-free at 1-866-282-8503.

4. Telecommunications Device (TDD)

If you have a hearing impairment and need TDD assistance, please call toll-free 1-800-231-4403.

When you call or log in, be ready to provide:

- Your Employee ID number
- Your date of birth
- Your VISA, Discover, MasterCard or American Express number with expiration date or your Bill Me Later and electronic check processing information (registration is required), if you are paying the prescription co-payment.

Do you need another prescription card?

Additional prescription cards can be obtained by calling Customer Care toll-free at 1-866-282-8503.

Reviewing Your Vision Benefits

Your vision benefits are provided through VSP Choice Plan. VSP has a network of over 33,000 providers located in retail and professional office locations.

Vision Coverage with a VSP Doctor

- An exam is covered once every 12 months when rendered by a participating VSP provider.
- Lenses and frames are covered once every 24 months.
- You are responsible for a \$10 co-payment per visit and a \$10 materials co-payment when you receive either single vision, lined bifocal, or lined trifocal lenses.
Note: If you go to a Non-VSP provider, VSP will pay up to \$52 for an eye exam, \$34 for single vision lenses, \$50 for lined bifocal lenses, \$66 for lined trifocal lenses, \$50 for frames, and \$100 for contact lenses if you choose contacts instead of lenses and frames. If you see a doctor other than a VSP doctor, you have 6 months to submit a claim to VSP for reimbursement.
- You have a \$130 allowance for the purchase of eyeglass frames **or** towards the purchase of contact lenses. Contact lenses are in lieu of lenses and frames.

Find A VSP Doctor

To locate the most current doctors in the VSP network, log on to www.vsp.com. Just click on the member tab and register. Once registered, you can locate doctors that are convenient for you. Although registration is not required,

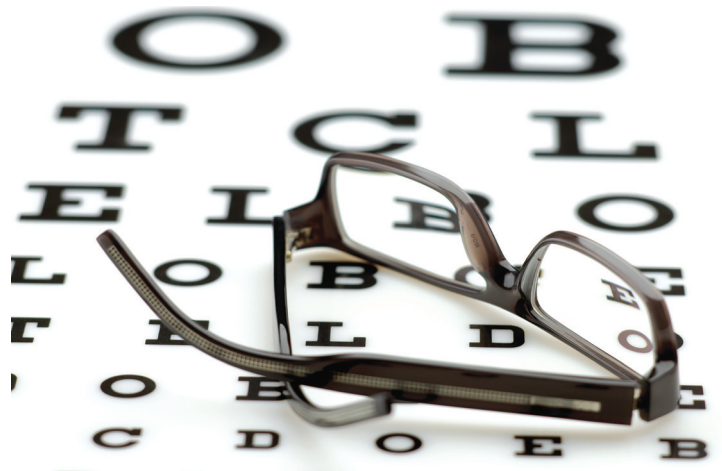
it is helpful in finding a doctor who participates in your specific VSP plan. You can also call VSP's Interactive Voice Response ("IVR") toll-free at (800) 877-7195. The IVR is available 24 hours a day, seven days a week.

When You Schedule Your Appointment

When you schedule your eye appointment, simply tell your eye doctor your name and date of birth. Your provider will contact VSP for authorization of your eligibility.

When You Go To Your Appointment

You do not need an ID card; however, if you would like one, you may print it by going to the VSP website at www.vsp.com. Your VSP provider will have your authorization waiting for your arrival.



Summary of Material Modifications

Below are Summary of Material Modifications (changes) made to your Plans during the past year. Please read over them and clip them where indicated so you can keep them with your Summary Plan Description ("SPD") booklets and your other benefits information.

OPERATING ENGINEERS UNION LOCAL NO. 77 HEALTH AND WELFARE FUND

- **Effective January 1, 2012**, the overall annual dollar limit on essential health benefits under the Plan has increased from \$1,000,000 to \$1,250,000 for participants and eligible dependents.
- **Effective November 8, 2011**, the Board of Trustees approved coverage for hearing aids. The Fund will pay for hearing aids up to \$2,500 every five years when medically necessary. You must satisfy the \$300 annual deductible before the Fund will begin paying benefits.

OPERATING ENGINEERS UNION LOCAL NO. 77 PENSION FUND

No changes.

OPERATING ENGINEERS UNION LOCAL NO. 77 INDIVIDUAL ACCOUNT FUND

No changes.

Emergency Room Visits: Coverage Only If It's An "Urgent" Medical Emergency

Your Plan covers visits to an emergency room when your medical condition indicates that immediate medical treatment is required. Some examples of medical emergencies which require immediate treatment include a heart attack, chest pains, cardiovascular accidents, poisonings, convulsions, a loss of consciousness or respiration, and other acute conditions. Of course, this is not a complete list and there could be other conditions which require immediate treatment.

It is important however, to note that **visits to the emergency room will not be covered if you go there with a condition which is not determined to be "urgent" as noted by the diagnosis from the physician.** For example, if your diagnosis (again, as stated by the attending physician), is for a bad cold, an earache, or a cut or a scrape, the Fund will **not** pay the claim.

The general rule of thumb is that your symptoms, including the degree of severity, must be such that immediate medical care would normally be required. The emergency room should be reserved for these urgent problems and should not be used for general illnesses/injuries that could be treated in the doctor's office during regular visits.



Retirees: If You Go Back to Work, Your Pension Benefits May Be Suspended

Under the rules of the Operating Engineers Local No. 77 Pension Plan, you must notify the Fund office about your re-employment after you retire. Under the rules of the Plan, if you engage in certain employment as a retiree, your pension benefits may be suspended while you are working. You are required to report when you are working to the Fund office.

Failure to provide such notification may result in a suspension of your pension benefits. See pages 40–42 of the Summary Plan Description booklet.

Follow The Rules

- You are required to notify the Fund Office immediately if you return to work or expect to return to work in any capacity including self-employment. This includes work for a non-contributing employer to the Plan.
- If you return to work but fail to notify the Fund office and/or the union office and if the Fund office discovers that you are working, your pension benefits will be immediately suspended.

Under the so-called presumption rule, adopted by this Plan in accordance with federal regulations, it is presumed that a retiree who fails to notify the Fund office about his return to work is working under circumstances that should result in a suspension of his benefits.

The suspension of benefits will be continued by the Plan until you provide the Fund office with sufficient information to prove that you are or were not engaged in work that permits a suspension of benefits under the Plan's rules.

- If your benefits are suspended, you must notify the Fund office as soon as you stop working (or work less than 40 hours a month if you are between the ages 65 and 70 ½).

Benefit payments will **not** be resumed until the requested information is received by the Fund office



and the accuracy of the information has been checked by the Fund office. You may be required to submit a letter from your employer on their letterhead.

- If pension payments are made for any months during which your benefits should have been suspended but were not, due to your failure to notify the Fund office about your return to work or other reasons, you are liable for the full amount of any overpayment(s).
- Any overpayment(s) will be recovered under the Plan's offset rule. Under the offset rule, future pension payments will be reduced until the full amount of any overpayment(s) is recovered.
- If you feel that an error was made in any decision to suspend your pension benefits or to recover overpayments, you may ask the Trustees to review the decision in accordance with the Plan's claims review procedures, as set forth in your Plan Booklet.

Medical Necessity Letter Needed for Prescriptions Requiring Prior Authorization

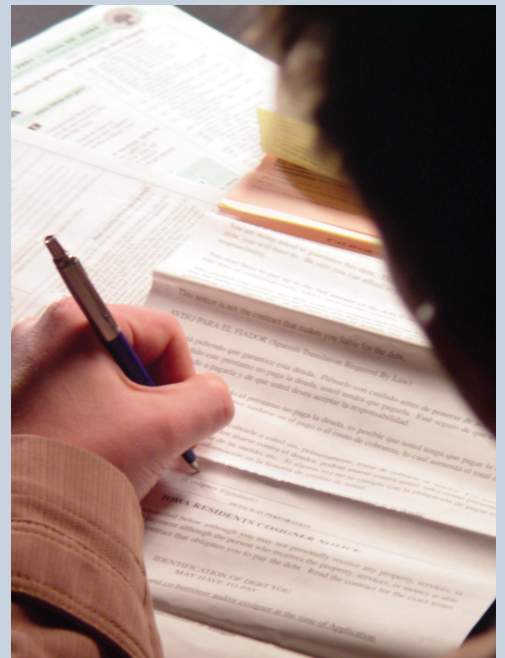
Certain drugs such as injectibles, birth control, or drugs for adult ADHD require prior authorization before they can be filled. But to get prior authorization, you need to ask your physician to prepare a letter of **medical necessity** and fax it to (410) 683-7778, Attention: Local 77 Prior Authorization, or mail it to the Fund office at:

Operating Engineers Local No. 77
Health and Welfare Program
911 Ridgebrook Road
Sparks, MD 21152-9451

The medical necessity letter must include the following information:

1. name, address and Social Security number of participant,
2. patient's condition,
3. diagnosis (why this medication is necessary),
4. name of drug requested, and
5. dosage of drug requested.

When the Fund office receives the letter of medical necessity from your physician, we contact CVS Caremark to initiate the prior authorization process. Based on the information your doctor provides, a determination will be made as to whether or not it has met certain FDA standards, and then both the pharmacy and your physician will be notified.



Privacy Statement Available Upon Request

In accordance with federal law, the Fund has established Privacy Practices, which are the rules concerning how personally identifiable health information ("PHI") about you or your dependents may be used and disclosed by the Fund and other parties, and how you or your dependents can get access to this information.

This statement was given to you when you first became eligible for benefits. If you would like another copy of the "Notice of Privacy Practices," call the Fund office toll free at (877) 850-0977 or write to:

HIPAA Privacy Officer
Operating Engineers Local No. 77
4301 Garden City Drive, Suite 201
Landover, Maryland 20785-2210

New Pension Plan Summary Plan Description Booklet



Actives and Deferred Vesteds in the Operating Engineers Local No. 77 Pension Plan were mailed a new Summary Plan Description (“SPD”) booklet. The booklet has been revised to contain all changes and updates made to your plan through February 2012. It replaces the SPD dated October 2001.

The SPD contains important information about your pension benefits, including what types of retirement benefits are available, when and how your retirement benefits are paid, how to apply for benefits, your rights under ERISA, and more.

Please be sure to keep your SPD in a safe place so you can find it whenever you need to refer to it. You can also review the SPD by logging on to www.associated-admin.com. Click on “Your Benefits” located on the left side of the screen and then select “OE Local 77” from the list of funds.

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