

NORTHERN CALIFORNIA PIPE TRADES TRUST FUNDS FOR UA LOCAL 342

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JANUARY 2022

TO: ACTIVE AND RETIRED PARTICIPANTS

RE: **SUMMARY OF MATERIAL MODIFICATIONS (“SMM”) TO THE NORTHERN CALIFORNIA PIPE TRADES HEALTH & WELFARE PLAN (“PLAN”) -New Coverage of OTC COVID-19 Testing Kits**

In response to the recent Federal Mandate, requiring Group Health Plans and Insurers to provide coverage for and/or reimbursement of Over-the-Counter (“OTC”) COVID-19 tests (without a prescription or doctor’s note), the Board of Trustees of the Northern California Pipe Trades Health and Welfare Plan (“Plan”) is pleased to provide you with the following summary of changes to the Plan (through its insured PPO/HMO coverage with Kaiser and Blue Shield), called a Summary of Material Modification (“SMM”). Please review the important change to the Plan’s benefits described below.

We are providing information on the Rapid Antigen Home tests available, with free shipping, to you and your family, in a separate program being provided through the Federal Government.

**Article XXI, Subsection R.1.
Over-the-Counter COVID-19 Testing Coverage (Effective January 15, 2022, Pursuant to Federal Mandate)**

1. Testing & Diagnostic Services or Items Coverage

Coverage of Over-the-Counter (“OTC”) COVID-19 Tests. Effective for purchases on or after January 15, 2022 and during the Public Health Emergency Period, the Plan, through its Insured Carriers (currently Kaiser and Blue Shield) will provide coverage for, including reimbursement of, all OTC tests (also known as at-home tests or self-tests): (a) approved, cleared or authorized by the FDA, (b) test that received FDA authorization for emergency use, (c) State authorized test and State has notified the Dept. of HHS, and (d) other tests that the Secretary of HHS determined appropriate in guidance during the Public Health Emergency Period, to detect the SARS-COV-2 (the virus that causes Coronavirus Disease 2019) or the diagnosis of COVID-19, purchased through pharmacies, retail stores, and online retailers, without any cost-sharing, prior authorization or medical management requirements, and without a prescription or involvement of a health care provider or individualized clinical assessment.

Pursuant to Federal guidance, the Plan or Insurers are permitted (but not mandated) to make quantity and cost limitations under the following Safe Harbors pursuant to FAQ Part 51. If the Safe Harbor requirements are met the Plan or Insurers are permitted to implement the following limitations:

- (a) **Cost Limits (Through Pharmacy Network or Direct Coverage).** The Plan or Insurer is permitted to limit reimbursement from a non-preferred pharmacy or other retailers to the lesser of: (i) the actual price of the test or (ii) \$12 per test, provided that the:
 - (1) Plan or Insurer provides access to direct coverage, without cost-sharing (meaning the Participant does not pay an upfront cost and instead the plan or its contracted entity pays the preferred pharmacy or retailer directly) of OTC COVID-19 tests through a preferred pharmacy network or other retailers, including direct-to-consumer shipping programs; and
 - (2) Plan or Insurer takes reasonable steps to provide adequate access to OTC COVID-19 tests through an adequate number of retail locations (both in-person and on-line locations).
- (b) **Quantity Test limit.** The Plan or Insurer is permitted to limit OTC COVID-19 tests without a prescription or provider involvement, to no less than 8 tests per covered individual (e.g., Participant, Dependent Spouse,

Dependent Child) per 30-day period or calendar month. In applying the quantity limit of 8, the Plan or Insurer may count each test separately, even if multiple tests are sold in one package. The Plan or Insurer is permitted to set more generous limits although not mandated.

If the above Safe Harbors (a) is not met (for example, if there are delays that are significantly longer than the amount of time it takes to receive other items under, if applicable, the Plan or Insurer's direct-to-consumer shipping program), the Plan or Insurer must provide coverage of the OTC COVID-19 test without cost-sharing and cannot deny coverage and cannot set limits relating to reimbursement on the amount of OTC COVID-19 tests.

If the above Safe Harbor (b) is not met (for example, OTC COVID-19 test with doctor's note), the Plan or Insurer must provide coverage of the OTC COVID-19 test without cost-sharing and cannot deny coverage and cannot set quantity limits.

To address suspected fraud or abuse the Plan or Insurer is permitted to require reasonable documentation of proof of purchase with a claim for reimbursement for the cost of the OTC COVID-19 test or require a self-attestation.

How To Get OTC COVID-19 Tests Through Kaiser or Blue Shield

1. **For KAISER HMO Participants (including Kaiser Permanente Senior Advantage [“KPSA”] Participants), you can submit a claim for reimbursement of FDA-approved rapid antigen home tests purchased through local drug stores or online, by signing onto <https://healthy.kaiserpermanente.org>.** Kaiser has indicated that in the incoming days, as supply of tests increases, Kaiser will make more rapid home antigen tests available to its members. The claim must include an itemized purchase receipt with test name, date of purchase, price, and number of tests. You must also include a photo of the QR or UPC bar code cut out of the rapid antigen home test box.

Guidance on types of COVID-19 tests

Rapid antigen home tests are a fast, easy way to get a quick result if members have symptoms, think they have been exposed to someone with COVID-19, or plan to gather indoors with those who may be at risk including unvaccinated children, older individuals, and those who are immunocompromised. Results are typically available within 30 minutes. < <https://www.fda.gov/medical-devices/coronavirus-disease-2019-covid-19-emergency-use-authorizations-medical-devices/in-vitro-diagnostics-euas-antigen-diagnostic-tests-sars-cov-2> >

PCR tests are usually processed in a lab and results are typically available in 1-3 days. At Kaiser Permanente, PCR tests are required for members who are coming in for certain clinical procedures that require a negative test in advance. For more detail, visit our [COVID-19 testing FAQs](https://healthy.kaiserpermanente.org/health-wellness/coronavirus-information/testing#faqs):
[<https://healthy.kaiserpermanente.org/health-wellness/coronavirus-information/testing#faqs>]

2. **For BLUE SHIELD PPO/HMO Active Participants ONLY, you can submit a claim for reimbursement for FDA approved or FDA emergency use authorized OTC COVID-19 tests by submitting a Subscriber's Statement of Claim Form and proof of purchase receipt. Please further note Blue Shield will NOT be reimbursing OTC COVID-19 tests for Retirees (This reimbursement program is only for Active Participants and their eligible Dependents).**

Please visit the following Blue Shield CA website:

https://www.blueshieldca.com/bsca/bsc/wcm/connect/sites/sites_content_en/coronavirus/how-to-file-claim-covid-test-reimbursement.

Blue Shield requires that if you have more than one purchase receipt to submit, you will need to complete a separate form for each receipt. Complete the forms and send to:

Blue Shield of California
PO Box 272540
Chico, CA 95927-2540

Your receipt will need to identify the following:

- The retailer where you purchased the home test kit including physical address or website
- Date of service/purchase
- UPC code for the home test kit (located on the box or receipt)
- Cost of the test

Please highlight these items if there is more than one item on your receipt.
Please write on your receipt or invoice “Home COVID test.”

Separate Federal-Government Provided COVID-19 Tests (Shipped to Your Home)

Effective immediately, every family in the U.S. is also eligible to order 4 free at-home COVID-19 tests completely free. To order the free tests please visit <https://www.covidtests.gov/>. Please note, at this time, each residential home can only order one set of 4 free at-home tests. Please further note this is a separate program available through the federal government (not through the Plan or its Insured Carriers).

GRANDFATHERED HEALTH PLAN (For KAISER & BLUE SHIELD EARLY RETIREE and MEDICARE RETIREES)

As a reminder, the Board of Trustees believes the Northern California Pipe Trades Health and Welfare Plan for both its Early Retiree and Medicare-eligible Retirees under the Kaiser and Blue Shield options (hereafter “Plan”) remain a “Grandfathered Health Plan” under the ACA. As permitted by the ACA, a Grandfathered Health Plan can preserve certain basic health coverage that was already in effect when that ACA was enacted. Being a Grandfathered Health Plan means that your Plan is not required to include certain consumer protections of the ACA that apply to other plans (known as Non-Grandfathered Plans); for example, requiring 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 annual and lifetime limits on the Plan’s Essential Health Benefits. (For a definition of what constitutes as Essential Health Benefits, please visit www.healthcare.gov/glossary/essential-health-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 Employee Benefits Security Administration, U.S. Department of Labor (DOL) at 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.

REMINDER: Grandfathered status does not apply to the Active Health Plan options.

If you have any questions, please contact the Trust Fund Office at 925/356-8921 ext. 246.

IN ACCORDANCE WITH THE REQUIREMENTS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THIS DOCUMENT SERVES AS A SUMMARY OF MATERIAL MODIFICATIONS (“SMM”) TO THE PLAN AND SUPPLEMENTS THE RESTATED SUMMARY PLAN DESCRIPTION THAT HAS BEEN SEPARATELY PROVIDED TO YOU. YOU SHOULD RETAIN THIS DOCUMENT WITH YOUR COPY OF THE RESTATED SUMMARY PLAN DESCRIPTION.

Respectfully submitted,
Fund Manager
On Behalf of the Board of Trustees