

ALASKA TEAMSTER-EMPLOYER WELFARE TRUST

2015 SUMMARY ANNUAL REPORT

*This Report reflects the financial health of your medical fund.*

*If you have questions about this report, please call 907-751-9700 or (800) 478-4450 or email [denniec@959trusts.com](mailto:denniec@959trusts.com).*

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SUMMARY ANNUAL REPORT FOR THE ALASKA TEAMSTER-EMPLOYER WELFARE TRUST

This is a summary of the annual report of the Alaska Teamster - Employer Welfare Trust, EIN 91-6034674, a multi-employer Plan, for the year beginning July 1, 2014 and ending June 30, 2015. The annual report has been filed with the Employee Benefit Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

**SELF-FUNDED BENEFIT INFORMATION**

The Plan maintains its medical, dental, drug, disability, vision benefits, and urgent care under a self-funded program.

**INSURANCE INFORMATION**

The following brief description of the Plan benefits are provided for general information purposes only. Participants should refer to the plan document for more complete information.

The Plan has contracts with Symetra Life Insurance Co. (eff. 09/2014) to pay certain life insurance and accidental death and dismemberment claims. The Plan also maintains stop loss coverage under a contract with Union Labor Life Insurance Co. for participants and dependents. Medicare retiree coverage is provided under a contract with TEAMStar. The total insurance premiums charged to the Plan for the year ended June 30, 2015 were \$3,899,069.

Standard Insurance Co. (term. 08/2014) is a so called "experience-rated" contract, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending June 30, 2015, the premiums paid under such "experience-rated" contract were \$36,270 and the total of all benefit claims paid under the experience-rated contract during the plan year was \$0.

**BASIC FINANCIAL STATEMENT**

The value of Plan assets, after subtracting liabilities of the Plan, was \$(3,440,961) as of June 30, 2015, compared to \$(5,762,150) as of July 1, 2014. During the Plan year the Plan experienced an increase in its net assets of \$2,321,189. This increase included unrealized appreciation or depreciation 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 assets acquired during the year.

During the Plan year the Plan had total income of \$34,912,910 including employer contributions of \$30,691,899, participant contributions of \$3,601,347, earnings from investments of \$237,140, and other income of \$382,524.

Plan expenses were \$32,591,721. These expenses included \$2,652,561 in operating expenses, \$33,774 in investment

expenses, \$26,006,317 in benefits paid directly to participants and beneficiaries and \$3,899,069 in insurance premiums charged by insurance companies

Benefits and eligibility rules will change from time to time. Retiree benefits differ from active employee benefits and also can be changed or eliminated at any time. Be sure to use the most recent plan booklet and to read any special notices about your coverage. Do not rely on outdated information. If you lose your coverage you may be entitled to continue it by making self payments. Consult your booklet or the plan office for details.

**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. Assets held for investment; and
3. 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 Alaska Teamster Employer Service Corporation, 520 E. 34th Ave, Suite 107, Anchorage, AK 99503, (907) 751-9700. The charge to cover copying costs will be \$.254 per page for any part thereof.

You also have the right to receive from the Contract Administrator, 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 Contract Administrator, 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, 520 E. 34th Ave., Suite 107, Anchorage, Alaska 99503 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 Benefit Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.



## WOMEN'S HEALTH AND CANCER RIGHTS ACT OF 1998

Did you know that your Plan, as required by the Women's Health and Cancer Rights Act of 1998, provides benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema)? Call your Plan Administrator at (907) 751-9700 or you may dial (800) 478-4450 (toll free) for more information.

## NOTICE OF PRIVACY PRACTICES

The Notice of Privacy Practices describes how medical information about you may be used and disclosed and how you can get access to this information. This notice is available to you in several ways:

1. You may call 1-800-478-4450 outside Anchorage or 751-9700 in Anchorage and request a copy of the Notice,
2. You may go online to [www.959trusts.com](http://www.959trusts.com), select the Welfare Tab, click the "Forms" link and select "Privacy Notice" or
3. You may request a copy.

This is the notice provided to you in 2012 and again in 2015; or later, if your eligibility began after those dates. We are required to send you the Privacy Practices or the availability of these Practices every three years.

# SUMMARY OF MATERIAL MODIFICATION

## ALASKA TEAMSTER-EMPLOYER WELFARE TRUST

### SUMMARY OF PLAN CHANGES EFFECTIVE JULY 1, 2016

Please read this important notice summarizing changes to your health Plan.

**Effective July 1, 2016, the Plan's "out of pocket limits" are being changed, but only for services and supplies provided by non-preferred providers. However, if you or a family member receive services from non-preferred providers, the out-of-pocket limit will be higher. The out of pocket limits effective July 1, 2016 are shown below:**

#### Annual Out-of-Pocket Limit

For Eligible Employees and their Dependents  
*For Preferred Provider Expenses*  
Per Participant - \$3,400 (*unchanged*)  
Per Family - \$7,200 (*unchanged*)

For Retired Participants Without Medicare and their Dependents  
*For Preferred Provider Expenses*  
Per Participant - \$6,000 (*unchanged*)  
Per Family - \$12,700 (*unchanged*)

Effective July 1, 2016, these limits on expenses paid by you or your family members will be determined separately for Preferred Provider (PPO) expenses and for Non-Preferred Provider (non-PPO) expenses. Whether you or your family are entitled to have covered expenses paid at 100% of the Plan's allowed amounts will depend on which type of charge (PPO or non-PPO) has been incurred, and whether you or your family have met the out of pocket limit for that type of charge. For example, if you or your family have met the annual out of pocket limit for PPO expenses, covered PPO expenses for the remainder of that calendar year will be paid at 100%, but if your non-PPO out of pocket limit has not been reached, non-PPO covered expenses will not be paid at 100% until the separate non-PPO out of pocket limit has been reached.

For Eligible Employees and their Dependents  
*For Non-Preferred Provider Expenses*  
Per Participant - \$6,800  
Per Family - \$14,400

For Retired Participants Without Medicare and their Dependents  
*For Non-Preferred Provider Expenses*  
Per Participant - \$12,000  
Per Family - \$25,400

As of July 1, 2016, the expenses incurred to date for you and your family will be split into PPO and non-PPO expenses to determine if, for the rest of 2016, you (and your family) have already met either the PPO out of pocket limit or non-PPO limit, or how close you are to meeting each of those limits. This applies to all Participants and family members, regardless of whether as of July 1, 2016 a Participant or family may have already reached the annual out of pocket maximum for 2016.

These changes modify Section 5.3 of your Summary Plan Description (SPD), the introductory summary tables of the SPD, and all other relevant portions of the SPD that in any way concern the Plan's out of pocket limits. Please note the Trust utilizes Aetna's PPO Network and BridgeHealth for surgery benefit management.

#### TO FIND OUT IF YOUR DOCTOR IS IN THE AETNA PREFERRED PROVIDER NETWORK:

1. Visit [www.959trusts.com](http://www.959trusts.com), select the Find Network Provider link and select the Aetna Preferred Provider Network (PPO) link.
2. Call the Alaska Teamster-Employer Welfare Trust at (907) 751-9700 for assistance.
3. Ask your Doctor – be sure you ask if they are Preferred with Aetna not just if they take Aetna. They will accept any network, but may not be Preferred with Aetna.