

Alaska Electrical Trust Funds

Pension Fund – Health and Welfare Fund – Legal Fund 701 E Tudor Suite 200 • Anchorage, AK 99503 (907) 276-1246 • (800) 478-1246 • Fax: (907) 278-7576 www.aetf.com



December 2022

Re: Alaska Electrical Health & Welfare Fund

Change in Dialysis Benefits / Current Board of Trustees

Dear Plan Participant:

The Board of Trustees is providing you this notice with important information about changes in the Plan's benefit for kidney dialysis. Additionally, this notice advises you of the current members of the Board of Trustees for the Health & Welfare Fund.

Change to Dialysis Benefit Effective January 1, 2023

Dialysis Treatment – In-Patient

The Plan pays for medically necessary in-patient dialysis on the same basis as any other in-patient treatment. Non-emergency in-patient dialysis requires preauthorization.

Out-patient Dialysis: Effective January 1, 2023, the Plan's benefit for out-patient dialysis is changing.

The Board of Trustees have a fiduciary obligation to manage Fund assets for the sole benefit of participants and their dependents and to defray reasonable expenses of the Plan. Accordingly, as of the effective date of this change, all out-patient dialysis providers will be considered out-of-network (non-PPO) and will be subject to a specific pricing methodology as described in this document. Outpatient Dialysis Treatment Claims are subject to specific conditions which do not apply to other types of claims. Please refer to this Dialysis Treatment Outpatient description. The definition of Usual Customary & Reasonable charges in the Plan booklet will not apply to outpatient dialysis providers.

For medically necessary out-patient dialysis treatment, the Fund will determine the Plan benefit amount based upon the average payment actually made for reasonably comparable services and/or supplies to all providers of the same services and/or supplies by all types of plans in the applicable market during the preceding calendar year, based upon reasonably available data, adjusted for the national Consumer Price Index medical care rate of inflation. The Fund may increase or decrease the payment based upon factors concerning the nature and severity of the condition being treated. Covered Charges is not the same as the Usual and Reasonable Charge as defined in the outpatient dialysis provision.

This Plan provision shall apply to all out-patient dialysis claims filed by, or on behalf of, Plan participants for reimbursement of products and services provided for purposes of out-patient dialysis, regardless of the condition causing the need for dialysis.

The Plan will review all out-patient dialysis charges to determine whether there is a reasonable probability that market concentration and/or discrimination in charges have resulted in an increase

of the charges for out-patient dialysis products and/or services for the dialysis-related charges under review. If the Plan determines that there is a reasonable probability that the charges exceed the reasonable value of the goods and/or services, the Plan may subject the claims, and all future claims for out-patient dialysis goods and services from the same provider with respect to the member, to a cost-containment review to determine the appropriate Plan benefit amount.

Where appropriate, the Fund may enter into an agreement with a provider establishing the rates payable for out-patient dialysis goods and/or services, provided that such agreement must identify this section of the Plan and clearly state that such agreement is intended to supersede this Plan section.

This change does not apply to in-patient dialysis claims.

End-Stage Renal Disease

If you are diagnosed with End-Stage Renal Disease (ESRD), you may be eligible for Medicare coverage by nature of your diagnosis. If you apply for Medicare, you are required to provide the Trust Administration Office with the effective date of your Medicare coverage so that the Plan can ensure the correct coordination of claims payments between the Plan and Medicare.

Dialysis Preauthorization

Both non-emergency in-patient dialysis and non-emergency out-patient dialysis require preauthorization.

Board of Trustees

Attached to this notice are the current members of the Board of Trustees for the Alaska Electrical Health and Welfare Fund.

If you have any questions concerning this Notice, contact the Administrative Office at (907) 276-1246 or (800) 478-1246, or at 701 E. Tudor Road, Suite 200, Anchorage, AK 99503. Thank you.

Sincerely,

Robert Garcia Administrator

Please read this notice carefully and keep it with your benefit booklet or insurance records for future reference.

Alaska Electrical Health & Welfare Joint Board of Trustees

From time to time, Trustees leave the Board, to be replaced by new Trustees by the appointing bodies, NECA and IBEW Local 1547. The current members of the Board are as follows:

MANAGEMENT TRUSTEES

Larry Bell (Co-Chair) Alaska Chapter, NECA 712 West 36th Avenue Anchorage, AK 99503

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