



Laborers' National Health & Welfare Fund

905 16th Street, NW, Washington, DC 20006 ~ (202) 737-1898 or (800) 540-0113

September 2024

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IMPORTANT NOTICE ABOUT NEW COVERAGE FOR GENE THERAPY AND ADVANCED CELLULAR THERAPY

Summary of Material Modifications To Plan 1 and Plan 2 Benefits

To All Participants In The Laborers' National Health and Welfare Fund (Plan 1 & Plan 2):

The Board of Trustees is committed to keeping the Laborers' National Health and Welfare Fund's ("Fund") coverage up-to-date as new medical treatments are developed and proven to be beneficial to patients. In recent years, the Food and Drug Administration ("FDA") has approved certain genetic therapies to treat or cure a disease by replacing a disease-causing gene with a healthy copy of the gene, inactivating a disease-causing gene that may not be functioning properly, or introducing a new or modified gene into the body to help treat a disease. Similarly, the FDA has approved certain cellular therapies that involve introducing cells into a patient's body to replace or repair damaged cells or tissue. More gene and cell therapies are expected to be developed and approved in the future. At present, these therapies are very expensive.

Expecting that some participants and beneficiaries of the Fund will likely need gene or cell therapy treatments at some point, but mindful of the high cost to the Fund, the Board of Trustees has decided that the Plans will cover gene or cell therapy treatments under certain conditions. Both Plan 1 and Plan 2 have been amended, effective September 1, 2024, by the addition of the following Section 2.18A and Section 2.18B:

Section 2.18A: Genetic Therapy

- (a) Charges for gene therapy products and services directly related to their administration are Covered Medical Services, subject to the following conditions and all other limitations on Covered Medical Services described in this Plan Description:
 - (1) The product(s) must be approved by the U.S. Food and Drug Administration (FDA) to: (i) treat or cure a disease by replacing a disease-causing gene with a healthy copy of the gene, inactivating a disease-causing gene that may not be functioning properly, or introducing a new or modified gene into the body to help treat a disease. The FDA has approved several types of gene therapy, and it is expected that the FDA will approve additional gene therapy products in the future.
 - (2) The products and services must be Medically Necessary with respect to the patient, and not considered to be experimental or investigational.
 - (3) The products and services must be authorized by Cigna prior to the

administration of the product and performance of the services (prior authorization). Each gene therapy product is specific to a particular disease and is administered in a specialized manner. Cigna determines which products are in the category of gene therapy, based in part on the nature of the treatment and how it is distributed and administered. Cigna maintains policy statements / clinical guidelines with regard to each FDA-approved gene therapy product to determine whether and on what terms to approve administration of a specific gene therapy product to a patient. Cigna will apply case management and utilization management procedures with regard to each patient's gene therapy administration and related services. The failure of a patient or provider to comply with the prior authorization requirements may result in the denial of coverage at any point.

- (4) The products are administered and the services performed at In-Network facilities contracted with Cigna for the specific gene therapy product. Gene therapy products and their administration at other facilities are not covered.
- (b) Coverage includes: 100% of the cost of the gene therapy product; medical, surgical and facility services directly related to administration of the therapy product; professional services; and travel expenses reimbursement as described in subsection (c), below.
- (c) Travel Expense Reimbursement: Reimbursement of travel expenses to and from the In-Network facility contracted with and approved by Cigna, if that facility is located more than 60 miles from the primary residence of the eligible participant or beneficiary who is the patient.
 - (1) Transportation Benefit: Actual cost for the eligible participant or beneficiary and one travel companion. This benefit may be used for airfare, bus, train, car rental, tolls, fuel, parking, taxi or car service.
 - (2) Hotel / Lodging Benefit: Actual cost up to the greater of: (i) \$50 per night for an eligible participant or beneficiary and \$50 per night for a travel companion; or (ii) the IRS limit for non-taxable medical care travel reimbursement in effect at the time of the travel.
 - (3) Cost of Travel Benefits: The cost of the Travel Benefits is paid 100% by the Fund through a reimbursement process managed by Cigna.
 - (4) Companion: The term "companion" includes the patient's spouse, family member, legal guardian, or caregiver who is at least 18 years of age.
 - (5) Limitations and Exclusions:
 - > any expense that, if reimbursed, would be taxable income;
 - > food and meals;
 - > laundry expenses;
 - > telephone bills;
 - > alcohol and tobacco products;
 - > cost of transportation that exceeds coach class, except when determined to be necessary because of the patient's medical condition; and
 - > use of personal car.
 - (6) Lifetime Maximum Limit on Travel Expense Reimbursement Benefits: \$10,000.

Section 2.18B: Advanced Cellular Therapy

(a) Charges for advanced cellular therapy products and services directly related to their administration are Covered Medical Services, subject to the following conditions and all other limitations on Covered Medical Services described in this Plan Description:

- (1) The product(s) must be approved by the U.S. Food and Drug Administration (FDA).
- (2) The products and services must be Medically Necessary with respect to the patient, and not considered to be experimental or investigational.
- (3) The products and services must be authorized by Cigna prior to the administration of the product and performance of the services (prior authorization). Cigna determines which FDA approved products are in the category of advanced cellular therapy, based on the nature of the treatment and how it is manufactured, distributed and administered. An example of advanced cellular therapy is chimeric antigen receptor (CAR) T-cell therapy that redirects a person's T cells to recognize and kill a specific type of cancer cell.

Cigna maintains policy statements / clinical guidelines with regard to each FDA-approved advanced cellular therapy product to determine whether and on what terms to approve administration of a specific therapy product to a patient. Cigna will apply case management and utilization management procedures with regard to each patient's advanced cellular therapy administration and related services. The failure of a patient or provider to comply with the prior authorization requirements may result in the denial of coverage at any point.

- (4) The products are administered and the services performed at In-Network facilities contracted with Cigna for the specific advanced cellular therapy product. Advanced cellular therapy products and their administration at other facilities are not covered.

(b) Coverage includes: 100% of the cost of the advanced cellular therapy product; medical, surgical and facility services directly related to administration of the advanced cellular therapy product; professional services; and travel expenses reimbursement as described in subsection (c), below.

(c) Travel Expense Reimbursement: Reimbursement of travel expenses to and from the In-Network facility contracted with and approved by Cigna, if that facility is located more than 60 miles from the primary residence of the eligible participant or beneficiary who is the patient.

- (1) Transportation Benefit: Actual cost for the eligible participant or beneficiary and one travel companion. This benefit may be used for airfare, bus, train, car rental, tolls, fuel, parking, taxi or car service.
- (2) Hotel / Lodging Benefit: Actual cost up to the greater of: (i) \$50 per night for an eligible participant or beneficiary and \$50 per night for a travel companion; or (ii) the IRS limit for non-taxable medical care travel reimbursement in effect at the time of the travel.
- (3) Cost of Travel Benefits: The cost of the Travel Benefits is paid 100% by the

Fund through a reimbursement process managed by Cigna.

- (4) Companion: The term “companion” includes the patient’s spouse, family member, legal guardian, or caregiver who is at least 18 years of age.
- (5) Limitations and Exclusions:
 - > any expense that, if reimbursed, would be taxable income;
 - > food and meals;
 - > laundry expenses;
 - > telephone bills;
 - > alcohol and tobacco products;
 - > cost of transportation that exceeds coach class, except when determined to be necessary because of the patient’s medical condition; and
 - > use of personal car.
- (6) Lifetime Maximum Limit on Travel Expense Reimbursement Benefits: \$10,000.

As with all other benefits provided under Plan 1 and Plan 2, the Board of Trustees retains the right to modify or terminate the coverage of gene and cell therapies.

If you have any questions regarding this notice, you can contact LNHWF Fund Administrator Adam M. Downs for information. He may be contacted by telephone at 202-737-1898 or 1-800-540-0113, or by email at adowns@lnipf.com.