

Teamsters Local 641 Welfare Fund

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SUMMARY & CLARIFICATION OF MATERIAL MODIFICATIONS

TO: Plan Providers
FROM: Board of Trustees
SUBJECT: No Surprise Act-Qualified Payment Amount (QPA) EIN: 22-6220289
DISTRIBUTION DATE July 31, 2023 PLAN NUMBER: 501

IMPORTANT NOTICE TO ALL PARTICIPANTS AN PROVIDERS OF THE TEAMSTERS LOCAL 641 WELFARE FUND

Please keep this letter with your Summary Plan Description

This document is a Summary of Material Modifications ("SMM") intended to notify you of important changes being made to the plan of benefits (the "Plan") of Teamsters Local 641 Welfare Fund (the "Plan"). You should take the time to read this SMM carefully. If you have any questions regarding these changes to the Plan, please contact the Fund Office at (908) 687-4488.

NO SURPRISE ACT (NSA)-OUT OF NETWORK PROVIDER PAYMENT METHOD (QPA)

Effective September 1, 2023, the Trustees of Teamsters Local 641 Welfare Fund have amended the Plan to comply with the No Surprise Act ("NSA") Provider Payment method for Out of Network Claims using the qualifying payment amount ("QPA").

The QPA amount is the basis for determining individual cost sharing for items and services covered by the balance-billing protections in the NSA., under certain circumstances. The QPA Definition is the median contracted rate for that zip code for a similar service or item covered by the group health plan.

The QPA will be used in several circumstances, including but not limited to:

- Out-of-network emergency and nonemergency services performed by an emergency room not contracted with the patient's insurance.
- Out-of-network services performed at in-network facilities.

A provider has the right after a 30-business day open negotiation to initiate an independent dispute resolution (IDR) process. The submission must be made no later than four business days following the end of the open negotiation period. Again, a provider's failure to make a timely submission constitutes acceptance of the initial payment amount.

If you have any questions on the above enhancements to our Plan, please do not hesitate to contact us at the Welfare Fund Office at (908) 687-4488.

Very truly yours,

Diane Florian

Diane Florian
Plan Manager
For the Board of Trustees