

National Automatic Sprinkler Industry Welfare Fund

Benefits Highlights

2009

This “Benefits Highlights” booklet does not contain the full plan document and is not a “Summary Plan Description” for the NASI Welfare Fund plan of benefits. The 100+ page NASI Welfare Fund booklet is available on the Fund’s website at <http://www.nasifund.org> or can be obtained by contacting the NASI Welfare Fund, 8000 Corporate Drive, Landover, Maryland, 20785 or at (800) 638-2603. It is impossible for this brief highlights booklet to contain all of the rules and exceptions contained in the full Plan booklet. Do not expect it to do so. It is intended to highlight the most commonly sought after information about the NASI Welfare Plan. You should review the Summary Plan Description for a complete description of the plan rules and benefits.

Interpretations regarding eligibility for benefits, claims, status of employees and employers, or any other matter relating to the NASI Welfare Fund should only be obtained through the Board of Trustees or the Fund Administrator. The Trustees are not obligated by, responsible for, or bound by opinions, information or representations from other sources.

The Board of Trustees, in its sole discretion and in accordance with the Plan Document, may interpret, amend or terminate the Plan and any of its provisions, including classes of coverage, eligibility and requirements for coverage, availability, nature and extent of benefits and conditions and methods of payment.

For Additional Information, refer to the NASI Welfare Plan booklet available on the internet.

Web site <http://www.nasifund.org>

For Assistance Contact the Fund Office

National Automatic Sprinkler Industry Welfare Fund
8000 Corporate Drive
Landover, MD 20785

Telephone Assistance: (301) 577-1700

Toll Free Numbers for:

Benefits Verification or Assistance: 1-800-638-2603

To Certify Hospital Admissions: 1-866-343-3709

Medical PPO Provider Finder: 1-800-810-BLUE

Medco Mail Order Prescription Inquiries or Assistance:
1-866-544-6775

Vision Service Plan Service Inquires: 1-800-877-7195

National Ear Care Plan: 1-888-884-6327

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ELIGIBILITY

Initial Eligibility

You become eligible for benefits on the first of the month after you are credited with a total of 600 hours of work under a Collective Bargaining Agreement or a participation agreement, within a period of no more than six (6) consecutive months.

Loss of Eligibility

Eligibility for benefits will terminate on:

the last day of the fourth month following the last two consecutive months in which you are credited with 80 or more hours of work with at least one hour in the second of those two months ("Continuing Eligibility period"), or if earlier,

the date that you cease to be available for work covered by the Plan as verified by your Local Union.

Disability Extension of Eligibility

An employee who becomes disabled while eligible for benefits may extend eligibility for up to four additional months while the disability continues. Regular benefits will continue for you and your eligible dependents. In no event can your eligibility be longer than eight months from the last two consecutive months in which you worked 80 or more hours with at least one hour in the second of these two months.

Reinstatement of Eligibility

During the first 12 months after losing eligibility, you will be eligible again on the first of the month after two consecutive months in which you are credited with a total of 80 or more hours of work, provided that you have remained available for work covered by the

Plan as verified by your Local Union. After 12 months of ineligibility, you must again qualify under the Initial Eligibility rule.

COBRA and Self Pay Benefits

When you lose eligibility, you will receive a letter advising you of your rights under COBRA to purchase continuation coverage. Most participants are also eligible to benefit from the lower cost “Self-Pay” level of benefits which may be elected in place of COBRA.

COBRA benefits are generally the same as the benefits you were receiving just before you lost eligibility but do not include Life Insurance, Accidental Death and Dismemberment Benefits and Weekly Disability Benefits. COBRA benefits are described in the Summary Plan Description.

Self-Pay benefits are described in this Highlights Booklet and in the Summary Plan Description..

Family Coverage

The NASI Welfare Fund provides family coverage. You need to enroll your dependents in order for your dependents to receive benefits. Call the Fund Office at (800)638-2603 and ask for an enrollment card. Your Local Union may also have enrollment cards. Eligible dependents include:

- 1) Your spouse.
- 2) Your unmarried dependent child or children under age 19.
- 3) Your unmarried dependent child or children over age 19 who are full-time students.
- 4) Your unmarried dependent child or children over age 19 who are part-time students with satisfactory documentation of disability.
- 5) Your unmarried dependent child or children over age 19 who are totally incapable of self-support.

Retiree Eligibility

To be eligible for benefits as a retiree you must meet all of the following requirements:

1. You must receive a monthly pension from the NASI Pension Fund, and agree to authorize a deduction from your monthly pension check.
2. You must have been eligible for benefits from this Welfare Fund for at least ten years, and for at least seven out of the last ten years prior to the start of your pension.
3. During the three years made up of the year you retire and the two calendar years before you retire, you must have a total of 500 hours of work reported to the Fund (not 500 hours each year, but a total of 500 hours).

The Plan also has an alternate retiree eligibility rule for disabled sprinkler fitters.

In general, while retiree coverage is family coverage, you cannot add new dependents after your retirement. Retirees and their dependents must enroll in Medicare Part B when they become eligible for Medicare benefits. Medicare will pay first in that situation and these benefits after Medicare. The NASI Welfare Plan requires that individuals who are eligible for Medicare Part B benefits sign up for those benefits. If you could get Medicare benefits, ***the Fund will pay benefits as if you have both Medicare Part A and Part B Benefits whether you are signed up for them or not.***

If you fail to get Medicare Part B, you could incur substantial medical expenses not covered by this Plan. In addition, Medicare Part B premiums will be higher if you enroll after you are first eligible to do so.

How to Get In-Network Coverage

Use Blue Cross Blue Shield (BCBS) providers to get the In-Network level of benefits. To find BCBS doctors or hospitals in your area, you can follow the link on the NASI Welfare Fund's website (<http://www.nasifund.org>) or you can call (800)810-BLUE.

The plan has a few limited exceptions to this rule. For example, if you are taken to an out-of-network hospital in an emergency situation, the In-Network level of coverage can be provided even though neither you nor the Plan will receive a discounted charge for the services provided.

Pre-Certification of Hospital Admission

Call 1-866-343-3709 as soon as you or your dependent are planning an admission, preferably at least 7 days before the anticipated admission date or within 48 hours after an emergency admission. This applies to medical, surgical, and psychiatric hospitalization.

Prescription Drug Benefits

If you purchase prescription drugs at a local pharmacy, show them your ID card. They probably participate with Medco and then you will only pay 25% of the discounted price for the prescription. You do not need to do anything else in this case.

If you purchase a prescription from a non-participating pharmacy (this is unusual), you will have to pay for the full cost of the prescription and then you mail the prescription receipt to the Fund Office for reimbursement under the Plan.

If you are taking the same prescription for a long time (more than two months), this is considered a "Maintenance Drug" and you should use Medco's Mail-Order pharmacy. You can download a form from the Fund's website (<http://www.nasifund.org>) or you can call the Fund Office, (800)638-2603, to have one mailed to you. If you purchase more than two fills of Maintenance Drugs at a retail

pharmacy, your reimbursement will be limited to the amount that the Fund would have paid had you used the Mail Order pharmacy.

Comprehensive Medical Benefit Limitations

In general, the NASI Welfare Fund covers medically necessary expenses for non-work-related illness or injury. Almost all of the medical care most Sprinkler Fitters and their families ever need is covered by this Plan. Your doctor has a good idea of whether insurance usually covers a particular service. For the complete list of benefit limitations and benefit exclusions, refer to the Plan Booklet

DIFFERENT LEVELS OF BENEFITS

Most active and retired sprinkler fitters and apprentices are eligible for Level 1 benefits. However, apprentices with some local unions have level 2 coverage and some apprentices do not have dental or other benefits. If the contribution rate in your collective bargaining agreement for your class of apprenticeship is the same as the rate paid for journeyman, you also have Level 1 coverage. If the contribution rate paid on your behalf is lower than the Level 1 (journeyman) rate, you should check with the Fund office to understand which level of benefits applies to you and determine whether you have Life Insurance, Dental, Disability and Vision benefits.

SUMMARIES OF BENEFITS AND DEDUCTIBLES

Level 1

Comprehensive Medical Benefits:

For "In-Network" BCBS providers,
coverage is subject to the Deductible,
then 80% of the first \$10,000.00 (not including Deductible)
of allowed charges
then 100% of Usual and Customary charges thereafter, up to
the Maximum Lifetime Medical Benefit.

- Deductible per calendar year, per person \$300
- Maximum Deductible per calendar year, per family \$900
- Maximum Lifetime Medical Benefit, per person \$2,500,000
- Out-of-Pocket maximum, per person, per year,
deductible plus \$2,000

For "Out-of-Network" providers,
coverage is subject to the Deductible,
then 60% of the first \$10,000.00 (not including Deductible)
of allowed charges,
then 100% of Usual and Customary charges thereafter, up to
the Maximum Lifetime Medical Benefit.

- Deductible per calendar year, per person \$700
- Maximum Deductible per calendar year, per family \$2,100
- Maximum Lifetime Medical Benefit, per person \$2,500,000
- Out-of-Pocket maximum, per person, per year,
deductible plus \$4,000
- Mental or Nervous Disorder Expenses subject to
Comprehensive Medical Deductible, then if in-Hospital,
subject to the PPO/Non-PPO co-insurance rules; outpatient,
50% of Usual and Customary Charges

- Substance Abuse Treatment Benefit
 - Inpatient care, per day: \$200
 - Lifetime Maximum 60 days
 - Attending Physician not affiliated with Hospital:
50% of Usual and Customary Charges

Prescription Drug Benefit:

75% coverage is provided through mail order and retail pharmacies. Maintenance drugs purchased at retail are subject to reimbursement limitation. Comprehensive Medical Out-of-Pocket maximum benefit does apply to prescription drugs.

Dental Benefits:

- Deductible per calendar year, per person \$75
- Deductible per calendar year, per family \$225
- Preventive and diagnostic services (exam, cleaning, some x-rays), 90% of Usual and Customary charges up to maximum annual amount
- Class I restorative services (fillings, oral surgery), 80% of Usual and Customary charges up to maximum annual benefit
- Class II restorative services (crowns, bridges, gold) 70% of Usual and Customary charges up to maximum annual benefit
- Maximum annual benefit \$3,000
- Oral Surgery (additional to maximum annual amount) \$500
- Orthodontia, 70% of Usual and Customary charges
Lifetime Maximum \$3,000
- TMJ, 50% of Usual and Customary charges
Lifetime Maximum \$1,000

Preauthorization is required if dental services are expected to exceed \$400.

Vision Benefits:

- One exam in a 12-month period unless more than one exam is Medically Necessary.
- One pair eyeglasses/contact lenses in a 12-month period

Vision deductible \$10

Out-of-network maximums

- eye examination, per person, per year \$35
- Annual Vision Care maximum, per person, including exam \$100

For Eligible Employees only

- Life Insurance \$15,000
- Accidental Death, Dismemberment and Injury Benefit \$15,000
- Weekly Disability Benefit for up to 26 weeks for the same Disability, per week \$250

For Eligible Dependents only

- Death Benefit:
 - Spouse \$3,000
 - Dependent Child (15 days to 19 years old) \$2,000

Level 2

Comprehensive Medical Benefits:

For "In-Network" BCBS providers,
coverage is subject to the Deductible,
then 75% of the first \$12,000.00 (not including Deductible)
of allowed charges
then 100% of Usual and Customary charges thereafter, up to
the Maximum Lifetime Medical Benefit.

- Deductible per calendar year, per person \$500
- Maximum Deductible per calendar year, per family \$1,500
- Maximum Lifetime Medical Benefit, per person \$2,500,000
- Out-of-Pocket maximum, per person, per year,
deductible plus \$3,000

For "Out-of-Network" providers,
coverage is subject to the Deductible,
then 60% of the first \$12,500.00 (not including Deductible)
of allowed charges,
then 100% of Usual and Customary charges thereafter, up to
the Maximum Lifetime Medical Benefit.

- Deductible per calendar year, per person \$1,100
- Deductible per calendar year, per family \$3,300
- Maximum Lifetime Medical Benefit, per person \$2,500,000
- Out-of-Pocket maximum, per person, per year,
deductible plus \$5,000
- Mental or Nervous Disorder Expenses subject to
Comprehensive Medical Deductible, then if in-Hospital,
subject to the PPO/Non-PPO co-insurance rules; outpatient,
50% of Usual and Customary Charges

- Substance Abuse Treatment Benefit
 - Inpatient care, per day: \$200
 - Lifetime Maximum 60 days
 - Attending Physician not affiliated with Hospital:
50% of Usual and Customary Charges

Prescription Drug Benefit:

75% coverage is provided through mail order and retail pharmacies. Maintenance drugs purchased at retail are subject to reimbursement limitation. Comprehensive Medical Out-of-Pocket maximum benefit does apply to prescription drugs.

Be advised that not all individuals eligible for Level 2 benefits are entitled to the following benefits. Check with the Fund Office to determine which, if any, of the following benefits your family is also eligible to receive.

Dental Benefits:

- Deductible per calendar year, per person \$75
- Deductible per calendar year, per family \$225
- Preventive and diagnostic services (exam, cleaning, some x-rays), 90% of Usual and Customary charges up to maximum annual amount
- Class I restorative services (fillings, oral surgery), 80% of Usual and Customary charges up to maximum annual benefit
- Class II restorative services (crowns, bridges, gold) 50% of Usual and Customary charges up to maximum annual benefit
- Maximum annual benefit \$2,000
- Oral Surgery (additional to maximum annual amount) \$500
- Orthodontia, 70% of Usual and Customary charges
Lifetime Maximum \$3,000
- TMJ, 50% of Usual and Customary charges
Lifetime Maximum \$1,000

Preauthorization is required if dental services are expected to exceed \$400.

Vision Benefits:

- One exam in a 12-month period unless more than one exam is Medically Necessary.
- One pair eyeglasses/contact lenses in a 12-month period

Vision deductible \$10

Out-of-network maximums

- eye examination, per person, per year \$35
- Annual Vision Care maximum, per person, including exam \$100

For Eligible Employees only

- Life Insurance \$15,000
- Accidental Death, Dismemberment and Injury Benefit \$15,000
- Weekly Disability Benefit for up to 26 weeks for the same Disability, per week \$250

For Eligible Dependents only

- Death Benefit:
 - Spouse \$3,000
 - Dependent Child (15 days to 19 years old) \$2,000

Level 3 – Transition Benefits for Newly Organized Individuals

Comprehensive Medical Benefits:

For "In-Network" BCBS providers,
coverage is subject to the Deductible,
then 75% of the first \$16,000.00 (not including Deductible)
of allowed charges
then 100% of Usual and Customary charges thereafter, up to
the Maximum Lifetime Medical Benefit.

- Deductible per calendar year, per person \$600
- Maximum Deductible per calendar year, per family \$1,800
- Maximum Lifetime Medical Benefit, per person \$2,500,000
- Out-of-Pocket maximum, per person, per year,
deductible plus \$4,000

For "Out-of-Network" providers,
coverage is subject to the Deductible,
then 60% of the first \$17,500.00 (not including Deductible)
of allowed charges,
then 100% of Usual and Customary charges thereafter, up to
the Maximum Lifetime Medical Benefit.

- Deductible per calendar year, per person \$1,300
- Maximum Deductible per calendar year, per family \$3,900
- Maximum Lifetime Medical Benefit, per person \$2,500,000
- Out-of-Pocket maximum, per person, per year,
deductible plus \$7,000
- Mental or Nervous Disorder Expenses subject to
Comprehensive Medical Deductible, then if in-Hospital,
subject to the PPO/Non-PPO co-insurance rules; outpatient,
50% of Usual and Customary Charges

- Substance Abuse Treatment Benefit
 - Inpatient care, per day: \$200
 - Lifetime Maximum 60 days
 - Attending Physician not affiliated with Hospital:
50% of Usual and Customary Charges

Prescription Drug Benefit:

75% coverage is provided through mail order and retail pharmacies. Maintenance drugs purchased at retail are subject to reimbursement limitation. Comprehensive Medical Out-of-Pocket maximum benefit does apply to prescription drugs.

Self-Pay Level

For Unemployed and Disabled Individuals and their Families

Comprehensive Medical Benefits:

For "In-Network" BCBS providers,
coverage is subject to the Deductible,
then 75% of the first \$9,000.00 (not including Deductible) of
allowed charges
then 100% of Usual and Customary charges thereafter, up to
the Maximum Lifetime Medical Benefit.

- Deductible per calendar year, per person \$350
- Maximum Deductible per calendar year, per family \$1,050
- Maximum Lifetime Medical Benefit, per person \$2,500,000
- Out-of-Pocket maximum, per person, per year,
deductible plus \$2,250

For "Out-of-Network" providers,
coverage is subject to the Deductible,
then 55% of the first \$10,000.00 (not including Deductible)
of allowed charges,
then 100% of Usual and Customary charges thereafter, up to
the Maximum Lifetime Medical Benefit.

- Deductible per calendar year, per person \$700
- Maximum Deductible per calendar year, per family \$2,100
- Maximum Lifetime Medical Benefit, per person \$2,500,000
- Out-of-Pocket maximum, per person, per year,
deductible plus \$4,500

- Mental or Nervous Disorder Expenses subject to Comprehensive Medical Deductible, then if in-Hospital, subject to the PPO/Non-PPO co-insurance rules; outpatient, 50% of Usual and Customary Charges
- Substance Abuse Treatment Benefit
 - Inpatient care, per day: \$200
 - Lifetime Maximum 60 days
 - Attending Physician not affiliated with Hospital: 50% of Usual and Customary Charges

Prescription Drug Benefit:

75% coverage is provided through mail order and retail pharmacies. Maintenance drugs purchased at retail are subject to reimbursement limitation. Comprehensive Medical Out-of-Pocket maximum benefit does apply to prescription drugs.

Dental Benefits:

- Dental Benefits 60% of charges up to maximum benefit, per person
 - Deductible \$200
 - Annual Dental Maximum \$3,000
 - Orthodontia - Lifetime Maximum \$3,000
- TMJ, 50% of Usual and Customary charges
 - Lifetime Maximum \$1,000

Preauthorization is required if dental services are expected to exceed \$400.

Other Benefits:

- Death Benefit -- Employee \$5,000
- Accidental Death and Dismemberment for Employee \$5,000

- Weekly Disability Benefit for up to 13 weeks for the same Disability, per week, Employee only \$200