



# MICHIGAN ELECTRICAL EMPLOYEES' HEALTH PLAN

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May 2020

TO: ALL ELIGIBLE PARTICIPANTS OF THE  
MICHIGAN ELECTRICAL EMPLOYEES' HEALTH PLAN

RE: SUMMARY OF MATERIAL MODIFICATIONS

Dear Participant:

The Board of Trustees of the Michigan Electrical Employees' Health Plan ("Plan") would like to inform you of important changes made to your Plan benefits effective July 1, 2020. This notice, which is called a Summary of Material Modifications ("SMM"), is intended to update the May 1, 2020 Summary Plan Description/ Plan document ("SPD"). It describes changes to the Plan that were adopted by the Board of Trustees concerning coverage for services related to injuries resulting from automobile accidents. Please read this notice carefully and share it with your spouse if you are married.

## **Exclusion of Services Related to Automobile Accidents**

Michigan's no-fault auto insurance law has recently changed. Under the new law, Michigan residents can purchase various levels of personal injury protection ("PIP") coverage as part of their no-fault policy beginning July 1, 2020. Additionally, individuals with certain health coverage can opt-out of coverage entirely. As result of the new law, effective July 1, 2020, the Plan is amended to exclude coverage for claims related to injuries that result from an automobile accident for Employees (active or retired) and Dependents who are Michigan residents and who are covered under the Employee Medical Plan (*i.e.* the Active Plan) or the Early & Disability Retiree Plan.

This exclusion does not apply to non-Michigan residents. This exclusion also does not apply to Medicare-eligible Retirees and their Medicare-eligible Dependents who are covered under the Medicare Plan (Medicare Plus Blue Group PPO). However, for non-Michigan residents and individuals covered under the Medicare Plan, the Plan will only pay secondary to no-fault automobile insurance.

## **Summary Plan Description Updates**

**Effective July 1, 2020**, the SPD is updated as follows to reflect the Plan changes described above.

**The Plan does not pay for** subsection under the **Excluded Services** section beginning on page 95 of the SPD is amended to add the following new paragraph:

8. Any services related to an injury or condition which is a direct or indirect result of an automobile accident. The following rules apply to this exclusion.
  - This exclusion applies to Employees, Retirees and Dependents covered under the Employee Medical Plan or E&D Retiree Plan and who are Michigan residents.
  - This exclusion applies whether or not you have no-fault automobile insurance.

- This exclusion does not apply to services for an injury or condition resulting from a motorcycle accident, unless the services are payable under no-fault auto insurance coverage. For additional information, see the Claims and Appeals Procedures section of this booklet beginning on page 118.
- For non-Michigan residents, the Plan will pay for services to treat an injury or condition that is a direct or indirect result of an automobile accident only on a secondary basis and only when benefits do not duplicate those available under your no-fault automobile insurance policy. For additional information, see the Claims and Appeals Procedures section of this booklet beginning on page 118.

The **Claims for Automobile-Related Accidents and Motorcycle Accidents** subsection of the **Claims and Appeals Procedures** section beginning on page 118 of the SPD is updated as follows:

**Claims for Automobile-Related Accidents and Motorcycle Accidents**

<p>No-fault Automobile Accidents (for Non-Michigan Residents)</p>	<p>For non-Michigan residents, Plan coverage is secondary to no-fault automobile insurance for all services related to an injury which is a direct or indirect result of an automobile accident, including but not limited to automobiles, buses, trucks, etc. Plan coverage is available only when benefits do not duplicate those available under your no-fault automobile insurance policy. Payment under the Plan, when combined with any payment you receive under your automobile insurance policy, will not be more than 100% of the BCBSM Approved Amount for covered services.</p>
<p>Motorcycle Accidents</p>	<p>Plan coverage will be secondary to any motorcycle insurance whether or not the individual is wearing a helmet and whether or not the individual maintains medical benefit motorcycle coverage (<i>e.g.</i> Plan coverage is secondary when an individual was wearing a helmet at the time of an accident and maintains medical benefit motorcycle insurance coverage).</p> <p>If an individual does not maintain the medical benefit motorcycle insurance coverage required by law to ride without a helmet (currently \$20,000), the Plan will not pay any amount that would have been covered by the mandatory motorcycle insurance. Instead, the mandatory motorcycle insurance coverage will apply like a deductible and the Plan will provide benefits only for amounts that exceed the required coverage (\$20,000).</p>

The **Definitions Applicable to Coordination of Benefits** subsection of the **Coordination of Benefits** section beginning on page 127 of the SPD is updated as follows:

The term “Plan,” as used in this section, means any Plan providing benefits or services for or by reason of medical care or treatment which benefits or services are provided by:

1. Group or blanket insurance coverage, group Blue Cross and group Blue Shield, or other group prepayment coverage, coverage under a labor-management trustee plan, union welfare plan, employer organization plan, or employee benefit organization plan, including any federal or state or other governmental plans or law; or
2. Coverage under any Plan largely tax-supported or otherwise provided for by or through action of any government; or
3. Medicare. For the purposes of this section, the definition of Medicare shall include both Part A and Part B of Medicare, whether or not the Eligible individual is enrolled for both parts.
4. No-fault automobile insurance for non-Michigan Residents, medical benefit motorcycle insurance coverage or other security for payment of benefits or assignment of claims or other governmental plan or law required by a insurance statute, medical benefit motorcycle insurance coverage statute, or similar legislation in those states where such legislation is in force and allowable by law.

If you have any questions regarding these modifications, please contact the Plan Office at the number shown above.

Sincerely,

BOARD OF TRUSTEES  
MICHIGAN ELECTRICAL EMPLOYEES'  
HEALTH PLAN

*Please note that receipt of this description of benefit modifications is not a guarantee of coverage. You will only be eligible for benefits described herein if contributions are required to be made to the Fund on your behalf. The Board of Trustees reserves the right to amend, modify or terminate the Plan at any time.*