



Employee Benefit Plan Summary of Material Modifications

Benefits Summary: What's New for 2018

This document summarizes important changes to the Langdale Company Employee Benefit Plan. If you have any questions regarding the changes summarized in this Summary of Material Modifications (“SMM”), you should contact the Plan Administrator at the contact information provided below. You should keep a copy of this SMM with your Summary Plan Description for future reference.

The Langdale Company (“Langdale”) sponsors the Langdale Company Employee Benefit Plan (the “Plan”). The Plan provides eligible Langdale employees with various health care benefit coverage options, as provided by the Plan’s Summary Plan Description and Plan Documents.

If there is a conflict between this Benefit Summary and the Plan’s Summary Plan Description (SPD), the SPD will control.

Summary of Changes:

The following is a description of changes made to the Plan:

1. **Section 5. Schedule of Benefits. The Maximum Out-of-Pocket Limit Per Calendar Year table is deleted and replaced with the following table:**

MAXIMUM OUT-OF-POCKET LIMIT PER CALENDAR YEAR			
	NETWORK PROVIDERS		NON-NETWORK PROVIDERS*
	Medical Benefits	Pharmacy Benefits	
Per Covered Person	\$5,525	\$1,325	No Limit**
Per Covered Family Unit	\$11,050	\$2,650	No Limit**
The Plan will pay the percentage of covered charges designated below until the maximum Out-of-Pocket payments are reached, at which time the Plan will pay 100% of the remainder of covered charges for the rest of the Calendar Year unless stated otherwise.			
Expenses incurred for the following are included in the Out-of-Pocket Maximum: 1. Deductible(s) 2. Co-Payment(s) 3. Coinsurance Expenses incurred for the following are not included in the Out-of-Pocket Maximum: 1. Additional Deductibles/Penalties			

* Medical Providers only.

** Claims subject to *Section 13. Claim Review and Audit* will comply with the Network Maximum Out-Of-Pocket Limit.

2. **Section 5. Schedule of Benefits. Changes in Preventive/Wellness Adult benefits:**

- (1) Screening for preeclampsia in pregnant women is added
- (2) Screening for cervical cancer change - women age 30 to 65 years who want to lengthen the screening interval can have a screening with a combination of cytology and human papillomavirus (HPV) testing every 5 years
- (3) Preventive Aspirin use change – members have to be 50-59 years old to initiate low-dose aspirin use for the primary prevention of cardiovascular disease (CVD) and colorectal cancer (CRC) and meeting criteria as outlined by the U.S Preventive Services task Force (USPSTF)
- (1) Preventive Statin use is added – members have to be 40 to 75 years old with no history of CVD and meeting criteria as outlined by the USPSTF
- (2) Tobacco cessation products list is deleted and replaced with the following:
 - Bupropion SR 150mg (generic/prescription)

- Chantix Tabs (Brand/ prescription)
- Nicotine Replacement Therapy (NTR)
- Nicotine Patches (generic/over-the-counter)
- Lozenges (generic/over-the-counter)
- Gum (generic/over-the-counter)
- Inhaler (generic/prescription)
- Nasal Spray (generic/prescription)

3. Section 5. Schedule of Benefits. Change in Pharmacy Benefits:

The Compound Drug co-payment is added to the tables as shown below.

PHARMACY BENEFITS			
Preferred Network 34 Day Supply		Non-Preferred Network 34 Day Supply	
	Co-payment		Co-payment
Tier 1 – Generics*	\$15	Tier 1 – Generics*	\$25
Tier 2 - Preferred Brands (Formulary Brands)	\$40 or 20% (Greater Amount)	Tier 2 - Preferred Brands (Formulary Brands)	\$50 or 20% (Greater Amount)
Tier 3 - Non-Preferred Brands (Non Formulary Brands)	\$75 or 30% (Greater Amount)	Tier 3 - Non-Preferred Brands (Non Formulary Brands)	\$90 or 30% (Greater Amount)
Compound Drugs**	\$25	Compound Drugs	Not Covered
Specialty Drugs	\$250 or 20% (Lesser Amount)	Specialty Drugs	Not Covered
Preferred Network 90 Day Supply		Non-Preferred Network 90 Day Supply	
Tier 1 – Generics*	\$45	Tier 1 - Generics	Not Covered
Tier 2 - Preferred Brands (Formulary Brands)	\$120 or 20% (Greater Amount)	Tier 2 - Preferred Brands (Formulary Brands)	Not Covered
Tier 3 - Non-Preferred Brands (Non Formulary Brands)	\$225 or 30% (Greater Amount)	Tier 3 - Non-Preferred Brands (Non Formulary Brands)	Not Covered
Specialty Drugs	\$250 or 20% (Lesser Amount)	Specialty Drugs	Not Covered
* All Generics exceeding \$400 in drug cost will adjudicate at 20% coinsurance, not to exceed \$250			
** Not to exceed \$250 in drug cost. Must be filled at Chancy Drugs locations.			

DISEASE MANAGEMENT PHARMACY BENEFITS			
The following benefits apply to medications that treat the following conditions: Hypertension (high blood pressure), Hyperlipidemia (high cholesterol), Asthma, and Cardiovascular Disease; and you are not Diabetic.			
Preferred Network 34 Day Supply		Non-Preferred Network 34 Day Supply	
	Co-payment		Co-payment
Tier 1 – Generics*	\$10	Tier 1 – Generics*	\$25
Tier 2 - Preferred Brands (Formulary Brands)	\$30 or 20% (Greater Amount)	Tier 2 - Preferred Brands (Formulary Brands)	\$50 or 20% (Greater Amount)
Tier 3 - Non-Preferred Brands (Non Formulary Brands)	\$75 or 30% (Greater Amount)	Tier 3 - Non-Preferred Brands (Non Formulary Brands)	\$90 or 30% (Greater Amount)
Compound Drugs**	\$25	Compound Drugs	Not Covered
Specialty Drugs	\$250 or 20% (Lesser Amount)	Specialty Drugs	Not Covered
Preferred Network 90 Day Supply		Non-Preferred Network 90 Day Supply	
Tier 1 - Generics	\$30	Tier 1 - Generics	Not Covered
Tier 2 - Preferred Brands (Formulary Brands)	\$90 or 20% (Greater Amount)	Tier 2 - Preferred Brands (Formulary Brands)	Not Covered
Tier 3 - Non-Preferred Brands (Non Formulary Brands)	\$225 or 30% (Greater Amount)	Tier 3 - Non-Preferred Brands (Non Formulary Brands)	Not Covered
Specialty Drugs	\$250 or 20% (Lesser Amount)	Specialty Drugs	Not Covered
* All Generics exceeding \$400 in drug cost will adjudicate at 20% coinsurance, not to exceed \$250			
** Not to exceed \$250 in drug cost. Must be filled at Chancy Drugs locations.			

DIABETES MANAGEMENT PHARMACY BENEFITS			
The following benefits apply to medications that treat the following conditions: Diabetes, Hypertension (high blood pressure), Hyperlipidemia (high cholesterol), Asthma, and Cardiovascular Disease; and you are a Diabetic.			
Preferred Network* 34 Day Supply		Non-Preferred Network 34 Day Supply	
	Co-payment		Co-payment
Tier 1 - Generics	\$5	Tier 1 - Generics	Not Covered
Tier 2 - Preferred Brands (Formulary Brands)	\$5	Tier 2 - Preferred Brands (Formulary Brands)	Not Covered
Tier 3 - Non-Preferred Brands (Non Formulary Brands)	\$5	Tier 3 - Non-Preferred Brands (Non Formulary Brands)	Not Covered
Compound Drugs**	\$25	Compound Drugs	Not Covered
Specialty Drugs	\$100	Specialty Drugs	Not Covered
*Members have to participate in the Diabetes Management Program to qualify for these benefits. *Chancy Drugs in Adel, Hahira, Lake Park, Moultrie, and Valdosta			

4. Section 5. Schedule of Benefits. **SleepCharge Program Benefits table is updated to add the following:**

Covered Persons have to have been covered under the Plan for at least six (6) months to be eligible for the SleepCharge Program.

5. Section 6. Additional Coverage Details. **Item (13) Coverage of Pregnancy is deleted and replaced with the following:**

Coverage of Pregnancy. The Allowable Amount for Procedures for the care and treatment of Pregnancy are covered the same as any other Sickness for a covered Employee or covered Spouse. There is no coverage of Pregnancy for a Dependent Child, unless the services are pregnancy-related wellness.

6. Section 8. Utilization Management Program. **Changes in Utilization Management:**

- (1) Effective November 1, 2017, Doctors Direct Healthcare is replaced by Adhere2Care, Inc.
- (2) “Covered Person’s Rights With Respect to Utilization Management” section order is changed: Item 1. is now Item 4. Items 2. 3. and 4. are now Items 1., 2., and 3., respectively.
- (3) Pre-Authorization Requirements changes are:

- Doctors Direct Healthcare is now replaced with Adhere2Care, Inc., telephone number 910-824-4820
- Durable Medical Equipment (DME) purchase pre-authorization dollar amount is increased from \$500 to \$1,000
- Robotic Surgery is removed from the list of services requiring pre-authorization

7. Section 10. Defined Terms. **“Biosimilar Drug” definition is added as follows:**

Biosimilar Drug is a biological medical product that is similar but not identical to the original product manufactured by another company. Biosimilars are approved versions of original innovator products that can be produced when the original patent expires.

8. Section 11. Plan Exclusions.

(1) Item (56) Penile Implant is changed to include “unless medically necessary”

9. Section 12. Prescription Drug Benefits. **Beginning January 1, Southern Scripts will be replaced by ProCare Rx.** All references to Southern Scripts are hereby replaced with ProCare Rx, telephone number 800-699-3542.

10. Section 13. Claim Review and Audit. **Item 11. Directly Contracted Providers is added as follows:**

Directly Contracted Providers. The Allowable Claim Limits for providers of service who are directly contracted with the DDM will be the negotiated rate as agreed under the contract.