



SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS & SURVIVING SPOUSES HEALTH FUND

SUPPLEMENT No. 4

To: All Participants
From: Board of Trustees
Date: June 2026
Re: High Cost Medication Step Therapy Requirements

KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION

In order to manage excess drug costs by ensuring appropriate treatments are used, Trustees have implemented Step Therapy requirements effective September 1, 2026.

Step Therapy protocols will be required as part of the authorization process for certain high-cost or specialized therapies to ensure safe, clinically appropriate, and cost-effective use of medications in adherence to industry-standards. These protocols include the use of First-Line Therapy, generics, or other lower-cost drug substitutes. Exceptions will not be made unless medical records document failure, intolerance, or contraindication for each step.

This change amends the 2025 Summary Plan Description as follows:

SECTION **8. MEDICAL BENEFITS**

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Specialty Medication

A Prescription Drug is covered as a Specialty Medication when the Fund determines that the medication:

- A. Requires special delivery, preparation, or handling; or
- B. Requires special administration or monitoring; or
- C. Treats a complex condition; or
- D. Costs \$1,000 or more for a 30-day supply.

The Plan will pay 80% of either (1) the cost or (2) the Red Book average wholesale price of the Specialty Medication, whichever is lower. A Specialty Medication requires prior authorization from the Fund Office.

Step Therapy protocols are used to approve high-cost or specialized therapies. These protocols include the use of First-Line Therapy, generics, or other lower-cost drug substitutes unless medical records document a failure, intolerance, or contraindication for each step.

A maintenance medication for a chronic or long-term condition (such as diabetes), other than one that costs \$1,000 or more for a 30-day supply, is not considered a Specialty Medication.

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SECTION **20. DEFINITIONS**

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First-Line Therapy

Medications and treatments recognized as initial treatment based on clinical efficacy, safety, and cost-effectiveness.

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Step Therapy

A utilization management approach that requires patients to try one or more preferred medications (usually generics) before coverage is granted for higher cost medications (name brand drugs).

KEEP THE FUND OFFICE INFORMED OF YOUR ADDRESS.

If the Fund office does not have your current address, you will not be informed about important changes to your benefits and you may not receive all the benefits to which you are entitled. You can obtain a Change of Address Form from www.scptac.org, or from the Fund office or your Local Union office. You may also use this QR code to complete a Change of Address Form.



You should also promptly advise the Fund office of any change in your family status, such as marriage, divorce, or death.