



# 2021 Summary of Changes

The following changes will take effect on January 1, 2021.

## Medical plans

Please refer to the 2021 Summary Plan Description (SPD) for more details. The SPD will be posted on the benefit website in Q1 2021.

	2020		2021
Acupuncture	Limited to 12 visits / calendar year	→	Limited to <b>20</b> visits / calendar year
Chiropractic services	Limited to 20 visits / calendar year	→	Limited to <b>20</b> visits / calendar year
Cochlear implants	Not covered	→	Covered. Subject to deductible and coinsurance.
Gender reassignment services	Not covered	→	Medically necessary medical and surgical services, including mental health services are covered. Subject to deductible and coinsurance.
Fertility presentation	Not covered	→	In the event of medically necessary treatments such as chemotherapy and radiation therapy, which may result in infertility, expenses for the preservation of fertility are covered. Subject to deductible and coinsurance.
Breast and testicular implants/prosthesis	Not covered	→	Breast implant covered following mastectomy. Testicular implant covered following orchiectomy for testicular cancer. Subject to deductible and coinsurance.

## Prescription drug plan changes

- Over-the-counter prescription medication products will be excluded from coverage under the prescription drug plan (e.g. Nasacort allergy spray, travel sickness medication, constipation products). You can still use your HSA to pay for these products, but the cost will not count towards your deductible.

- Pre-exposure prophylaxis (PrEP) antiretroviral therapy is now considered preventive medication that must be covered under the Affordable Care Act (ACA) at no cost to high-risk members. PrEP is a way for people who do not have HIV but who are at very high risk of getting HIV to prevent HIV infection by taking a pill every day. Only those members who meet the criteria will receive a \$0 copay at point of sale, while claims for members who do not meet the criteria will process at a standard cost-share.
- The Express Scripts drug formulary (list of covered medications) will change on January 1, 2021 – like it does each year. There will be changes to certain medications’ tier classification (for example, moving from preferred to non-preferred) and new exclusions. A very small number of employees and family members will be impacted. Express Scripts will notify you by mail in if you will be impacted by the changes.
- Over the counter products will no longer be covered under the prescription drug plan.
- Supplements to treat specific medical conditions will be covered (e.g. Nutren Renal for acute or chronic renal failure). Subject to deductible and coinsurance.

## Health Savings Account (HSA) changes

Lakeside’s HSA contribution – which is based on who you cover on our medical plan when you were hired, and your participation in the wellness program – will be made on a per pay period basis instead of the lump sum in January. We have been making a lump sum HSA contribution since 2017, with the goal to help employees jump start their HSA savings. This new HSA funding schedule aligns with market practice and helps Lakeside manage cash flow throughout the year during these unprecedented times.

Lakeside HSA contribution, based on coverage level	2020	2021
Employee only	\$1,000 deposited in January	\$38.46 deposited per pay period → (= \$1,000 annual)
Employee + spouse	\$1,500 deposited in January	\$57.69 deposited per pay period → (= \$1,500 annual)
Employee + child(ren)		
Employee + spouse + child(ren)		

Also, the maximum HSA contribution limits set by the IRS will increase in 2021:

	2020	2021
Annual HSA maximum contribution	\$3,550 for self-only coverage \$7,100 for employee + one or more dependents coverage	\$3,600 for self-only coverage \$7,200 for employee + one or more dependents coverage

## Flexible Spending Accounts (FSA) changes

Maximum contribution	2020		2021
General purpose health care FSA	\$2,750	→	<b>TBD</b> – The IRS has not yet announced the maximum FSA contribution limits for 2021. The limits will either remain the same or increase slightly. We will notify you if there is an increase.
Limited purpose health care FSA	\$2,750	→	
Dependent care FSA	\$5,000	→	

---

Summary of Material Modifications (SMM): This newsletter describes changes to the Lakeside Industries, Inc. Health Care Benefit Plan and is intended to serve as a Summary of Material Modifications (SMM). The SMM supplements the Summary Plan Descriptions (SPDs) for the Lakeside Industries, Inc. Health Care Benefit Plan. The effective date of these changes is January 1, 2021. You should read this SMM very carefully and retain this document with your copy of the SPD.