



ADMINISTRATIVE OFFICES

HEALTH & WELFARE, PENSION AND DEFINED CONTRIBUTION

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www.azpipe.org

Date October 2019

**To: All Active Employees and their Dependents, including COBRA beneficiaries,
participating in the Arizona Pipe Trades Health and Welfare Trust Fund
Group Health Plan**

<p>CHANGES TO HEALTH REIMBURSEMENT ACCOUNT (HRA) PLAN BENEFITS EFFECTIVE JANUARY 1, 2018</p>

The Trustees are pleased to announce that effective January 1, 2018, changes to the Health Reimbursement Account (HRA) forfeiture rules will result in increased flexibility to your benefits.

Currently, you are permitted to “freeze” (meaning suspend or temporarily opt out of your HRA) your unused HRA account balance once per calendar year. However, your HRA account balance will be forfeited in certain cases, for example, if the account remains inactive for 24 consecutive months, or if you take employment in Arizona with an employer in the plumbing and pipefitting industry that is not obligated to contribute to the Arizona Pipe Trades Health and Welfare Trust Fund.

With the new changes to the HRA plan rules, if your account balance is forfeited, it will be reinstated at the level it existed at the time of forfeiture if you return to work through Local 469 again at any point in the future. Prior to this change, the balance would only be reinstated if you returned to work through Local 469 within five years of the date your HRA account was forfeited. Additionally, if your HRA account balance was forfeited while you were an Active Employee, with these new changes your account balance will also be reinstated if you become a Retiree in the Retiree Only HRA Plan at the level that existed at the time of forfeiture.

Note, however, that reinstatement is not permitted if you had permanently opted out and forfeited the unused balance, or if the balance had already been transferred to the Retiree Only HRA Plan.

Please keep this Summary of Material Modifications (“SMM”) with your Summary Plan Description (SPD)/Plan Rules and Regulations for easy reference to all Plan provisions. If you have any questions, you can contact the Administrative Office at 602-956-1950 or toll-free outside of AZ at 1-877-429-7473.

Sincerely,

Board of Trustees

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan and we are advising you of these Plan changes within 60 days of the adoption of these changes.

This document has been uploaded and is available on the participant website at www.ourbenefitoffice.com/Azpipe