



Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan



Health Reimbursement Account (HRA) Plan Document and Summary Plan Description

2021 Edition

Your Funds. Your Foundation. Your Future.



Introduction

This book is designed to explain your Health and Welfare Plan benefits. The benefits described in this book are available to Retired Employees and their Dependents who meet the eligibility requirements described beginning on page 3.

BENEFIT COVERAGE

The Plan offers health care benefits to help you and your Dependents stay healthy. This coverage helps provide financial protection against health care bills. The Plan provides the following benefits:

- ▲ Access to the Health Reimbursement Arrangement (HRA) (Retired Employees and Dependents); and
- ▲ Death Benefits (Retired Employees only).

This Summary Plan Description/Plan Document ("SPD/PD") is intended to give you an understanding of Plan benefits as of June 1, 2021. This edition, which includes all Plan changes adopted since the previous edition, replaces and supersedes any previous SPD/PD.

ABOUT THIS BOOK

It is your responsibility to read and understand this SPD/PD. If you need clarification of eligibility or benefits provided, contact the Fund Office at 708-449-9004 or toll free at 866-661-1021. This book has been prepared for Retired Employees and their Dependents who are Participants in the Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan. This book serves as the Plan's Summary Plan Description (SPD) book and legal Plan Document (PD), as provided in Section 102 of the Employee Retirement Income Security Act of 1974, as amended (ERISA). This SPD/PD and supplemental documents such as the Plan's HIPAA Privacy Policies and Procedures and COBRA notices serve as the Plan's controlling legal documents. These documents are used by the Trustees of the Plan to determine the eligibility of Retired Employees and their Dependents for benefits provided by the Plan.

Only the Board of Trustees is authorized to interpret the Plan described in this book. Employers, Unions, or representatives of any Employer or Union are not authorized to interpret the Plan and cannot act as agents of the Trustees. You may only rely on information regarding the Plan that is communicated to you in writing and is signed on behalf of the Board of Trustees, either by the Trustees, or, if authorized by the Trustees, by the Fund Administrator.

The Trustees reserve the right and have been given broad discretion to amend, modify, or discontinue all or part of the Plan whenever, in their sole judgment, conditions so warrant. You will be notified in writing of any changes made to the Plan.

Benefits under the Plan will be paid only if the Trustees decide, in their discretion, that the Participant is entitled to them.

IMPORTANT: It is your responsibility to read and understand this SPD/PD.

Questions about eligibility, covered benefits, and claims

Should be directed to the Fund Office at 708-449-9004, toll free 866-661-1021 or email fundoffice@ibew9mseca.org.

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Eligibility Requirements

ELIGIBILITY FOR RETIRED EMPLOYEES

You are eligible for Retired Employee benefits if you:

- ▲ Have been covered under the Local Union No. 9, IBEW and Outside Contractors Active Employees Health and Welfare Plan for at least 10 Calendar Years (or 40 quarters), provided that at least one of the years is within five years of your retirement date; and
- ▲ Are not engaged in any gainful employment in the electrical industry.

ELIGIBILITY FOR YOUR DEPENDENTS

Generally, your Dependent becomes eligible for coverage on the date you become eligible if your Spouse or child was your eligible Dependent at the time of your retirement. If you acquire a Spouse or child while eligible for Retired Employee coverage, you can add that Spouse or child to your coverage. However, no additional contributions or amounts will be transferred to your HRA account. You can submit receipts for reimbursement of qualified medical expenses for the newly acquired Dependents for dates of service on or after their effective date as your dependent. The term **Dependent** is defined in the **Glossary of Terms** section beginning on page 38.

CONTINUING ELIGIBILITY

If you are a Retired Employee or disabled Retired Employee, or a Dependent of a Retired or disabled Retired Employee covered under this Plan, you continue to be eligible for coverage until the Health Reimbursement Arrangement (HRA) Account balance is exhausted.

Once the HRA Account balance is exhausted, no further benefits are payable under the Plan. However, you will continue to be eligible for the Plan's Death Benefit as a former Retired Employee. The Plan does not provide death benefits for Dependent Spouses or children.

Dependent Spouses and children and surviving Dependent Spouses and children are considered Participants of the Plan.

If you return to work your coverage does not end unless you earn enough hours to become eligible under the Local Union No. 9, IBEW and Outside Contractors Active Employees Health and Welfare Plan.

Then once your suspension of benefits ends, you may complete your coverage under the Active Plan and then your coverage under the Retired Employee's Health and Welfare Plan will resume.

WHEN COVERAGE ENDS

For Retired Employees

Your eligibility for Plan benefits will end on the earliest of:

- ▲ The date your HRA Account balance is exhausted;
- ▲ The date the Trustees discontinue benefits under the Plan;
- ▲ Failure to complete a Family Survey
- ▲ The date the Trustees discontinue the Plan; or
- ▲ The date you die.

When coverage under the Plan ends, no conversion to individual coverage is available. Any claims submitted before coverage ends will be paid according to the Plan's provisions.

For Your Dependents

Your Dependents' coverage will end on the earliest of:

- ▲ The date the HRA Account balance is exhausted;
- ▲ The date your Dependent Spouse or children no longer meet the Plan's definition of a Dependent;
- ▲ The date the Trustees discontinue benefits for Dependents under the Plan;
- ▲ The date the Trustees discontinue the Plan; or
- ▲ The date your Dependent dies.

When coverage ends for your Dependent because your Dependent no longer meets the definition of a Dependent, your Dependent may continue coverage by electing COBRA Continuation Coverage as provided under the "Continuation Coverage" section on page 4.

When coverage under the Plan ends, no conversion to individual coverage is available. Any claims submitted before coverage ends will be paid according to the Plan's provisions.

NO REINSTATEMENT OF ELIGIBILITY

Once you or your Dependents lose coverage under the Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan, it cannot be reinstated.

Continuation Coverage

COBRA CONTINUATION COVERAGE

Under the Consolidated Omnibus Budget Reconciliation Act of 1985, or COBRA, your Dependents may continue health care coverage past the date coverage would normally end if your Dependents lose Plan medical or prescription drug coverage due to legal separation or divorce. In the event of legal separation or divorce, by making Self-Payments under COBRA, your Dependents may continue medical and prescription drug benefits.

The COBRA Continuation Coverage will be identical to the coverage your Dependents had under the Plan.

It is important to notify the Fund Office of a legal separation or divorce for your Dependents to maintain COBRA Continuation Coverage rights. Failure to do so may disqualify your Dependents for COBRA Continuation Coverage.

There may be other coverage options for your Dependents. Under key parts of the Affordable Care Act, your Dependents will be able to buy coverage through the Health Insurance Marketplace. In the Marketplace, your Dependents could be eligible for a new kind of tax credit that lowers the monthly premiums right away, and your Dependents can see what the premium, deductibles, and out-of-pocket costs will be before making a decision to enroll. Being eligible for COBRA does not limit eligibility for coverage for a tax credit through the Marketplace. Additionally, your Dependents may qualify for a special enrollment opportunity for another group health plan for which your Dependents are eligible (such as the employer plan of your Spouse), even if the plan generally does not accept late enrollees, if enrollment is requested within 30 days. However, as long as your Dependents are covered under this Plan, your Dependents are not eligible to buy coverage through the Health Insurance Marketplace.

Qualifying Events

Your Dependents do not have to show that your Dependents are insurable for COBRA Continuation Coverage. It is offered if your Dependents lose coverage because of legal separation or divorce.

If you are a covered Spouse, you will be entitled to elect COBRA Continuation Coverage if you lose your status as a Dependent due to legal separation or divorce.

When the legal separation or divorce occurs, your coverage will continue under the Plan through the end of the month in which the legal separation or divorce is finalized. The COBRA benefits for which you qualify and which you may elect will begin the first day of the month following the month in which the legal separation or divorce occurs.

Notifying the Fund Office

You or your Spouse must inform the Fund Office, in writing, of a legal separation or divorce within 60 days of the later of the legal separation or divorce or the date your Dependents would otherwise lose Plan coverage. If you or your Spouse does not notify the Fund Office within 60 days, your Dependents will lose the right to elect COBRA Continuation Coverage.

When the Fund Office is notified that a legal separation or divorce has occurred, your Dependents will be notified as to whether or not your Dependents have a right to elect COBRA Continuation Coverage. If your Dependents are not eligible for COBRA Continuation Coverage, your Dependents will be notified, including information relating to why your Dependents are not eligible.

Once your Dependents receive a COBRA Continuation Coverage notice, your Dependents have to respond within 60 days of the later of the qualifying event or the date your Dependents receive the COBRA Continuation Coverage notice if your Dependents wish to elect COBRA Continuation Coverage. If your Dependents do not respond by the deadline, your Dependents will not be able to elect COBRA Continuation Coverage.

Paying for COBRA Continuation Coverage

The Fund Office will notify your Dependents of the cost of COBRA Continuation Coverage when it notifies your Dependents of the right to coverage. The cost for COBRA Continuation Coverage will be determined by the Trustees on an annual basis, and will not exceed 102% of the cost to provide this coverage.

The first payment for COBRA Continuation Coverage must include payments for any months retroactive to the day your Dependents' coverage under the Plan ended. The first payment must be delivered no later than 45 days after the date your Dependents returned the signed COBRA Continuation Coverage election form to the Fund Office.

Subsequent payments must be delivered by the first business day of each month for which coverage is provided with a 30-day grace period. If the COBRA premium is not received at the Fund Office by the first business day of the month, the Plan will suspend coverage during the grace period and then will reinstate coverage if the payment is delivered to the Fund Office within the grace period. If payment is not delivered to the Fund Office by the end of the grace period, all benefits will end immediately. Once COBRA Continuation Coverage ends, it cannot be reinstated.

Because coverage under the Plan ends at the end of the month in which the legal separation or divorce occurs, the Plan does not pro-rate COBRA payments. Monthly payments for COBRA Continuation Coverage will cover full months of coverage. If your Dependents obtain new health plan coverage and is terminating COBRA coverage under this Plan, the Plan will not pro-rate the payment for the final month of coverage, even if the COBRA coverage overlaps with the new coverage.

Periods of Coverage

Coverage Continues for 36 Months. Your Dependents may elect COBRA Continuation Coverage for up to 36 months if coverage ends because of legal separation or divorce.

Loss of Continued Coverage

The period of COBRA Continuation Coverage for your Dependents may end sooner if:

- ▲ Your Dependents do not make the required COBRA Self-Payments by the due date;
- ▲ Your Dependents exhaust benefits under the Plan;
- ▲ The Plan stops providing any group health benefits; or
- ▲ Your Dependents become covered under any other group health care plan after the date on which COBRA Continuation Coverage is elected.

Family Status Changes

At some point in your life, you will probably experience a change in family status that affects your benefits. It is important that you understand what you or your Dependents need to do when you experience a change in family status.

NOTIFY THE FUND OFFICE

You can help avoid delays in payment of benefits by notifying the Fund Office of family status changes, such as legal separation, divorce, death of you or your Dependents, a Dependent losing such status (e.g., a child turning age 26), and changes of address, email, or phone numbers.

When you experience a change in family status, you or your Dependents should contact the Fund Office within 60 days of such change, or as soon as possible following the status change event for any necessary forms or required paperwork. You are responsible for confirming that the Fund Office received any paperwork, documentation or payments that you send to the Fund Office. It is important that you return all requested information to the Fund Office because it helps ensure that the Fund Office has your correct address and family information on file. It also enables the Fund Office to keep updated marital status, Dependent information, and information about whether you or your Dependents have other benefits coverage. This information helps in processing your claims quickly and accurately.

FAMILY SURVEY

Periodically, the Fund Office may distribute an Annual Family Survey that you must complete and return to the Fund Office in order for your claims to be considered in the coming calendar year. All claims for the new calendar year will be denied and you and your Dependents will be considered ineligible for coverage until the Annual Family Survey is properly completed and delivered to the Fund Office. Failure to complete and return the Annual Family Survey will result in suspension of benefits under this Plan; your benefits will not be reinstated until the Fund Office has received your Annual Family Survey.

SOCIAL SECURITY NUMBERS

Under Federal law, the Plan is obligated to report Social Security Numbers or Tax Identification Numbers of persons covered under the Plan, to the Center for Medicare and Medicaid Services, which uses this reporting to prevent fraud and duplication of payments under Medicare. Therefore, every covered person must provide his or her Social Security Number or Tax Identification Number to the Fund Office. Those individuals who do not provide Social Security Numbers or Tax Identification Numbers will have their coverage under the Plan suspended until they do so.

COBRA QUALIFYING EVENTS

- COBRA qualifying event, if your Dependents were covered under the Plan and want to continue coverage under COBRA, you or your Dependents have 60 days from the date of the qualifying event to request COBRA Continuation Coverage information from the Fund Office. See page 4 for more information about COBRA Continuation Coverage.

DISENROLLING A DEPENDENT

Because enrolling a Dependent is voluntary and not required by the Plan, you may disenroll a Dependent at any time by completing and submitting the *"Disenrollment Form"* for the Dependent. Once a Dependent child under age 18 is enrolled in the Plan, he or she may not be disenrolled by a Retired Employee without written consent of all of the Dependent child's parents or guardians, provided that the Dependent child otherwise remains eligible for coverage. Once a Dependent child age 18 or older is enrolled in the Plan, he or she may not be disenrolled by a Retired Employee without the Dependent child's consent, provided that the Dependent child otherwise remains eligible for coverage. You may not back-date a disenrollment, except in the case of divorce or legal separation of a Dependent Spouse. Otherwise, the coverage end date for the disenrolled person will be the date the Fund Office receives the properly completed disenrollment form; in cases of disenrollment, the delivery date does not apply.

In the Event of Your Death

The Plan provides death benefits for Retired Employees only. Death Benefits may help provide financial protection to your family upon your death. The Plan does not provide death benefits for Dependents.

If you have hours remaining in your Hour Bank upon your retirement, you may elect an Extension Option to continue your coverage under the Local Union No. 9, IBEW and Outside Contractors Active Employees Health and Welfare Plan (the “Active Employees Health Plan”) while you are a participant in this Plan. Your classification as a “Retired Employee” will not be changed and you will be a participant in this Plan and the Active Employees Plan at the same time. However, since both plans have a Death Benefit, you will only be eligible for the Death Benefit under this Plan and not the one under the Active Employees Health Plan.

DEATH BENEFIT (ONLY APPLICABLE TO RETIRED EMPLOYEES)

In the event of your death, the Plan pays a Death Benefit to your beneficiary.

The Death Benefit also provides that in the event you are diagnosed with a terminal illness, you may apply to receive an accelerated death benefit. You should contact the insurance company listed in the *Important Contact Information* in the *Schedule of Benefits* for information about this benefit. Certain requirements and exclusions apply.

To designate or update your beneficiary(ies) for Death Benefits, you need to complete a beneficiary designation form. This form is available for download at www.myfundoffice.com or from the Fund Office.

Your designation is effective as of the date the Fund Office receives your properly completed beneficiary designation form. If you do not designate a beneficiary, your benefits will be paid to your:

- ▲ Spouse; or if none,
- ▲ Children; or if none,
- ▲ Parents; or if none,
- ▲ Siblings; or if none,
- ▲ Estate.

Health Reimbursement Arrangement

The Health Reimbursement Arrangement (HRA) (also called the HRA Account) permits you to obtain reimbursement of certain Qualified Medical Care Expenses (defined below) on a non-taxable basis from your HRA Account.

Most of the rules regarding the HRA are dictated by the Internal Revenue Code and cannot be adjusted, changed, or eliminated.

HRA Account Definitions

- Dependent means a Spouse and child of the Retired Employee as defined in the Plan Document (see Glossary of Terms section starting on page 38).
- Eligible Retired Employee means a Retired Employee eligible to participate in this HRA Account.
- HRA Account means an unfunded recordkeeping entry of contributions received and claims paid on behalf of an Eligible Retired Employee and his/her Dependents that is maintained by the Fund.
- Qualified Medical Care Expenses generally means medical care expenses incurred by a Retired Employee or his or her eligible Dependents for medical care, as defined in Internal Revenue Code Sections 105 and 213(d) (including, for example, amounts for certain hospital bills, doctor and dental bills), but does not include expenses that are described in the exclusions subsection. Reimbursements due for medical care expenses incurred by the Retired Employee or the Retired Employee's eligible Dependents will be charged against the Retired Employee's HRA Account or the Retired Employee's eligible Spouse's HRA Account, as applicable.
- Benefit Plan Year means the Calendar Year for the HRA Account, the period of time from January 1 to December 31 of each year; the Plan Year or Fiscal Year for the HRA is the period of time from November 1 to October 31.

Any unused Actives Plan HRA Account balance remaining after your retirement from active employment may be used for reimbursement of Qualified Medical Care Expenses incurred during retirement. The amount from your Active Plan HRA Account will be combined with the Retiree HRA allocation.

RETIREE HEALTH REIMBURSEMENT ARRANGEMENT SUMMARY

The Plan will provide Retirees and Spouses with a one-time contribution to a joint Health Reimbursement Arrangement Account.

If you are an eligible retiree, the Plan will provide you and your spouse with a one-time contribution of up to \$60,000 to your joint HRA account. The Plan will provide you with a one-time contribution of up to \$30,000 if you do not have an eligible spouse.

Prior to July 1, 2017, the Plan provided eligible retirees and their spouses with a one-time contribution of up to \$30,000 to each individual HRA account (up to \$30,000 for the retiree and up to \$30,000 for the spouse). Now, there is one account to be used jointly for eligible expenses.

If you retired before July 1, 2017, and separate HRA accounts were established for you and your spouse, you have some choices available to you.

- ▲ You may combine the two individual accounts and their remaining balances into one joint HRA account for you and your spouse. You will each have VISA cards that work on the same account.
- ▲ You may add your spouse as a dependent on your account. This works both ways: the retiree can add the spouse as a dependent or the spouse can add the retiree as a dependent. This is a good option if one of you has exhausted your HRA account balance. Again, you will each have VISA cards that work on the same account.
- ▲ You can keep the separate accounts the way they are. Remember, should you or your spouse die before exhausting your HRA account balance, any remaining balance will be transferred to the survivor's HRA account.

If you retired after July 1, 2017, the balances in the separate HRA Account of a Retired Employee and the Retired Employee's Spouse were combined into a single HRA Account.

If you or your spouse had completely exhausted the \$30,000 retiree Lifetime Maximum before February 1, 2017, you or your spouse will not receive the one-time contribution and no further benefits will be payable. However, you will continue to be eligible for the Death Benefit if you are a retiree. The Plan does not provide death benefits for spouses or children.

If you were an active employee on or after May 26, 2008, your employers contributed to your Actives Plan HRA account. Under the Actives Plan HRA, once your HRA Account balance exceeded \$10,000, you were able to use the amount over \$10,000 to pay for eligible expenses. When you retire, you can use any amount left in your HRA Account to pay for eligible expenses. This is in addition to the one-time contribution to your Retirees Plan HRA Account. The remaining balance in your Actives Plan HRA will be added to the one-time Retirees Plan HRA contribution. In other words, the two accounts are rolled into one.

You can use the money in your Retirees Plan HRA Account to pay for eligible expenses for as long as you have money in your account. Once your HRA Account balance is exhausted, no further benefits will be payable.

You can use your HRA Account to be reimbursed for eligible expenses for covered dependent children.

You can use the money in your Retirees Plan HRA Account to pay for eligible expenses for dependent children up to age 26. The Plan will also reimburse eligible expenses for dependent children over age 26 if you and/or your spouse has legal guardianship of a dependent child who cannot support him or herself due to a physical or mental disability.

Your dependents are eligible to use your HRA Account funds after your death.

If you and/or your spouse die, your HRA Account balance will remain available to your eligible surviving Dependents. Your surviving Dependents will continue to be entitled to reimbursements for eligible expenses until your HRA Account reaches a zero balance or the HRA benefit is terminated. In the case where there is no surviving Dependent following your death, any remaining balance in your HRA will revert to the Plan and will be used for administrative expenses. In no event will the HRA Account pay the remaining assets in cash to any surviving dependents or estate.

REIMBURSEMENT OF QUALIFIED MEDICAL CARE EXPENSES INCURRED BY RETIRED EMPLOYEES

The HRA Account permits you to be reimbursed for certain Qualified Medical Care Expenses (defined below) on a nontaxable basis.

The primary objective of the HRA Account is to provide reimbursement of Qualified Medical Care Expenses after you retire.

OVERVIEW OF HOW THE HRA ACCOUNT WORKS

The Plan will maintain an HRA Account in your name to keep a record of the balances available for reimbursement of eligible Qualified Medical Care Expenses incurred by you and your Dependents. In no event will the HRA Account provide benefits in the form of cash or any other taxable or nontaxable benefit other than reimbursement for eligible Qualified Medical Care Expenses. The HRA Account is funded solely by employer contributions made on behalf of Eligible Employees of employers who are required to contribute to the HRA under a collective bargaining agreement.

While you were an Active Employee (not retired), once your HRA Account balance exceeded \$10,000, you were able to use the amount over \$10,000 to pay deductibles, copayments, coinsurance, and other Qualified Medical Care Expenses (as defined below). As a Retired Employee, the entire HRA Account balance is available for reimbursement of Qualified Medical Care Expenses to you and your Eligible Dependents.

For reimbursement of Qualified Medical Care Expenses, you must submit a claim using a designated HRA claim form and provide a receipt showing that you or your eligible Dependents incurred a Qualified Medical Care Expense. Claims should be submitted no later than 12 months after the expense is incurred. After the end of the Calendar Year, any unused amounts will remain available in the HRA Account (to roll over into) the next Calendar Year.

To access the balance in your HRA account, you will be sent a debit card for use to access to the balance in your HRA account. You can use that card to make payment on your medical bills, purchase prescription medication, or other qualified medical expenses such as prescription glasses.

After you use the debit card, you must submit proof of those transactions to the Fund Office within 30 days of the transaction. You can also submit receipts via the web site or mobile application of the debit card vendor to substantiate the purchase. It is recommended that you provide the receipts within 30 days of the purchase but not later than the December 31st of the calendar year. All unsubstantiated claims will be considered taxable income by the IRS for which you will receive an IRS form 1099 miscellaneous by the following January 31st.

Failure to provide the receipts within 30 days of the purchase will cause your debit card to be suspended from future use. As soon as the receipts are received and verified, the debit card will be unsuspended.

ELIGIBILITY FOR HRA ACCOUNT BENEFITS

You are **eligible to participate** in the HRA Account as a Retired Employee if you worked for an employer required to make HRA contributions to this Plan under a collective bargaining agreement or participation agreement or participation agreement on your behalf, and you accumulated a balance in your HRA during your years of employment. However, no additional credits may accumulate in your HRA Account after you become a Retired Employee and your participation in the Actives Plan terminates.

TERMINATION OF HRA ACCOUNT BENEFITS

You will cease to participate in the HRA Account when you have a zero balance in your HRA Account, when you waive or forfeit the balance in your HRA Account, or the HRA benefit is terminated.

Any HRA benefit payments (e.g., uncashed reimbursement checks) that are unclaimed 12 months after the Calendar Year in which the Qualified Medical Care Expense was incurred will be forfeited.

IN THE EVENT OF YOUR DEATH

If you die, your HRA Account balance will be transferred to your surviving Dependents. Your surviving Dependents will continue to be entitled to reimbursements for Qualified Medical Care Expenses until your HRA Account reaches a zero balance or the HRA benefit is terminated. Your surviving Dependents may continue participating in the HRA Account until your surviving Dependents have exhausted the COBRA period.

In the case where there is no surviving Dependent following your death, any remaining balance in your HRA will revert to the Plan and will be used for administrative expenses. In no event will the HRA Account pay the remaining assets in cash to any surviving Dependents.

FUNDING THE HRA ACCOUNT

Employer Contributions

Each month while you were an Active Employee, employer contributions were credited to your HRA Account in an amount determined by the Trustees and according to the work you have performed for the Employer. However, no additional credits will accumulate in your HRA Account when you become a Retired Employee with the exception of the HRA contribution described in the following paragraph.

Effective February 1, 2017, the value of the Lifetime Maximum benefit provided under the Plan was converted to provide both you and your eligible Spouse, if any, with a one-time \$30,000 HRA contribution to be used for covered Internal Revenue Code Sections 105 and 213(d) expenses. The one-time HRA contribution was added to the HRA Account balance you accumulated while you were an Active Employee and to a newly established HRA Account for your eligible Spouse. If you or your eligible Spouse used any of the Lifetime Maximum benefit prior to February 1, 2017, the one-time HRA contribution amount for you or your eligible Spouse was reduced by the amount of the Lifetime Maximum benefit you or your eligible Spouse already used.

Retired Employee Contributions

You may not personally contribute to the HRA Account according to current tax regulations.

No Funding Under Cafeteria Plan

Under no circumstances will the HRA Account fund benefits with salary reduction contributions.

QUALIFIED MEDICAL CARE EXPENSES ELIGIBLE FOR REIMBURSEMENT FROM THE HRA ACCOUNT

Under the HRA benefit, you may receive reimbursement for Qualified Medical Care Expenses (as defined below) incurred during a calendar year according to the rules and procedures previously described. Expenses payable from the HRA Account must be substantiated.

A Qualified Medical Care Expense is incurred at the time the medical care or service is received, and not when the expense is formally billed, charged, or paid. Qualified Medical Care Expenses incurred before you first become covered by the HRA benefit are not eligible.

Qualified Medical Care Expenses

Generally, “Qualified Medical Care Expenses” means expenses you or your Dependents incur for medical care, as defined in IRC Sections 105 and 213(d) (including, for example, amounts for certain hospital bills, doctor and dental bills). It will not include expenses that are described in Subsection 105(c) of the Code or that are described here as exclusions: Medical Care Expenses shall include premiums for Part B of Title XVIII of the Social Security Act (Medicare Part B premiums), premiums for group health insurance covering medical care (including premiums for group Medicare Supplement, Medicare Prescription Drug Plan, or Medicare Advantage policies), COBRA premiums, or premiums for any qualified long-term care insurance contract as defined in Code Section 7702B(B) provided, however, that any such premiums are not paid through salary reduction contributions under the terms of a Code Section 125 plan. Reimbursements due for Qualified Medical Care Expenses you or your Dependents incur will be charged against your HRA Account.

Qualified Medical Care Expenses can only be reimbursed to the extent that the expense incurred by you or your Dependents is not otherwise reimbursable through this Plan, or any other insurance, accident or health plan, (but see the subsection entitled *Coordination of Benefits; Health FSA to Reimburse First* on page 13 if the other health plan is a Health FSA). If only a portion of a Qualified Medical Care Expense has been reimbursed elsewhere (e.g., because the Health Insurance Plan imposes copayment or deductible limitations), the HRA Account can reimburse the remaining portion of such expense (e.g., the deductible or copayment) if it otherwise meets the requirements of a Qualified Medical Care Expense.

Allowable Qualified Medical Care Expenses

Allowable Qualified Medical Care Expenses means expenses incurred by you or your Dependents for medical care. Such medical care is defined in Internal Revenue Code Section 105 and Section 213(d), and is subject to change. Eligible expenses include (but are not limited to):

- ▲ Amounts for certain hospital bills, doctor and dental bills and prescription drugs,
- ▲ Premiums for group health insurance covering medical care,
- ▲ Amounts paid as premiums under Medicare Parts B, C or D of Title XVIII of the Social Security Act,
- ▲ COBRA premiums, or
- ▲ Premiums paid for a qualified long term care insurance contract (according to formulary provided by the IRS).
- ▲ Acupuncture (excluding remedies and treatment prescribed by an acupuncturist)
- ▲ Alcoholism and chemical dependency treatment
- ▲ Ambulance
- ▲ Chiropractic treatment
- ▲ Contact lenses and solution
- ▲ Copayments and co-insurance
- ▲ Crutches
- ▲ Custom orthopedic devices
- ▲ Dental fees (excluding cosmetic services)
- ▲ Diagnostic fees
- ▲ Eye examination fees
- ▲ Eye surgery, including laser eye surgery (e.g., cataracts, LASIK, radial keratotomy)
- ▲ Hearing exams, devices, and batteries,
- ▲ Insulin,
- ▲ Laboratory fees
- ▲ Marriage and family counseling
- ▲ Massage therapy provided by a state licensed massage therapist
- ▲ Medications and medical supplies (e.g., syringes, needles, etc.)
- ▲ Over-the-counter medications, may need a Prescription from your physician,
- ▲ Oxygen
- ▲ Physician fees
- ▲ Prescription eyeglasses
- ▲ Prescription medications from the United States
- ▲ Prescription smoking cessation programs and medications
- ▲ Psychiatric care
- ▲ Psychologist’s fees
- ▲ Routine physicals
- ▲ Surgical fees

- ▲ Transportation expenses that are primarily for, and essential to, medical care
- ▲ Weight loss program if it is a treatment for a specific disease diagnosed by a Physician (such as obesity, hypertension, or heart disease). This does not include the cost of food or beverages, vitamins, or supplements
- ▲ Wheelchairs
- ▲ Wig purchased upon the advice of a physician for the mental health of a patient who has lost all of his or her hair from a disease
- ▲ X-rays

Expenses listed above are not allowable qualified medical care expenses if they are paid through salary reduction contributions under the terms of an Internal Revenue Code Section 125 plan. Also, see additional exclusions listed in the next sections.

EXCLUSIONS

“Qualified Medical Care Expenses” **do not include** the following expenses. The expenses listed here are not reimbursable under this HRA benefit (even if they meet the definition of “medical care” under IRC Section 213 or are reimbursable under IRS guidance pertaining to HRAs):

- ▲ Advance payment for services
- ▲ Athletic, fitness, or health club membership
- ▲ Automobile insurance premium allocable to medical coverage
- ▲ Boarding school fees
- ▲ Bottled water
- ▲ Commuting expenses of a disabled person
- ▲ Controlled substances that are in violation of federal laws, even if prescribed by a physician
- ▲ Cosmetic surgery and procedures
- ▲ Cosmetics, hygiene products, and similar items
- ▲ Custodial care
- ▲ Dental procedures that are cosmetic such as teeth whitening
- ▲ Diaper service
- ▲ Domestic help
- ▲ Funeral, cremation, or burial expenses
- ▲ Health programs offered by resort hotels, health clubs, and gyms
- ▲ Household and domestic help

- ▲ Illegal operations and treatments
- ▲ Illegally procured drugs
- ▲ Long-term care and custodial care services
- ▲ Massage therapy (unless prescribed)
- ▲ Maternity clothes, other special clothing or uniforms
- ▲ Nurse’s salary to care for a healthy newborn at home
- ▲ Premiums for individual market coverage or insurance plans purchased from a state or federal Health Insurance Marketplace. Individual Medicare Supplement, Medicare Prescription Drug Plan, or Medicare Advantage policies are also not reimbursable
- ▲ Premiums for life insurance, income protection, disability, loss of limbs, sight, or similar benefits, or any premiums paid through salary reduction contributions under the terms of an Internal Revenue Code Section 125 Plan
- ▲ Scientology counseling
- ▲ Social activities, (such as dance lessons)
- ▲ Special foods or beverages
- ▲ Specially designed car for the handicapped other than an autoette or special equipment
- ▲ Swimming pool
- ▲ Travel for general health improvement or other transportation expenses
- ▲ Tuition and travel expenses for a problem child to a particular school
- ▲ Uniforms or special clothing
- ▲ Vitamins and food supplements
- ▲ Voluntary abortion expenses
- ▲ Weight loss programs for general health

Any item not considered “medical care” under IRC Section 213.

ADMINISTRATION OF THE HRA ACCOUNT

An HRA Account was established and maintained for each formerly Active Employee who worked for a Contributing Employer under the applicable Collective Bargaining Agreements after June 1, 2008.

Crediting of Accounts

Your HRA Account was credited each month when you were an Active Employee as funds were received from Contributing Employers. A one-time HRA contribution was credited to your existing HRA Account on February 1, 2017, or, if later, at the time you became a Retired Employee for the value of the converted lifetime maximum benefit that was previously provided under the Plan. At that time a new HRA Account was established for your eligible Spouse and the one-time HRA contribution for the value of the converted lifetime maximum benefit that was previously provided under the Plan was also credited to your eligible Spouse's HRA Account. Effective as of July 1, 2017, the balances in the separate HRA Accounts of a Retired Employee and his or her Spouse were combined into a single HRA Account and no further employer contributions will be made to this single HRA Account.

The balance of any unused HRA Account funds remaining from a prior Calendar Year will remain in the HRA Account.

Debiting of Accounts

Your HRA Account will be reduced by the amount of any reimbursement of Qualified Medical Care Expenses paid to you.

Available Amount

The amount available for reimbursement of Qualified Medical Care Expenses is the full HRA Account balance.

Unused Amounts in the HRA Account

Any unused amounts in the HRA Account will be carried over from one Calendar Year to the next Calendar Year.

Upon loss of eligibility under the Plan, your HRA Account balance remains yours. This means that you will be eligible to receive reimbursements for Qualifying Medical Care Expenses incurred after your participation in the Plan terminates. In no event will you receive a cash-out of, or be permitted to assign, transfer or pledge any remaining balance in your HRA Account.

REIMBURSEMENT PROCEDURE

Timing of Reimbursements from HRA Account

Except for the final claim for a 12-month period, any claim you submit must total at least \$50. You must submit a claim within 12 months after the date of occurrence; thereafter, it will not be eligible for reimbursement. Within 30 days after the Fund Office receives a request for HRA Account reimbursement (for the \$50 minimum), the HRA will reimburse you for the Qualified Medical Care Expenses or you will receive written notification that the claim has been denied (see the Appeal procedure below regarding the procedure for claim denials and appeals). This time period may be extended for an additional 15 days for matters beyond the control of the Plan or its designee, including cases where a reimbursement claim is incomplete. You will receive written notice of any extension, including the reasons for the extension, and you will have 45 days to complete an incomplete reimbursement claim request.

CLAIMS SUBSTANTIATION

You may apply for reimbursement by completing and submitting a claim form, which is available from the Fund Office and on the Plan's website, www.myfundoffice.com. Your request for HRA reimbursement must include the following:

- ▲ The person or persons on whose behalf Qualified Medical Care Expenses have been incurred;
- ▲ The date the expense was incurred;
- ▲ A description of the expense incurred;
- ▲ The amount of the requested reimbursement;
- ▲ A receipt for payment from the provider; and
- ▲ A statement that the expenses submitted for reimbursement have not been nor will be otherwise reimbursed.

In addition to the claim form, please include an Explanation of Benefits (EOB) from your health plan or insurance carrier if any payment was made from another source. If the medical expense is not covered by insurance, an invoice from the provider which gives the provider's name, address, telephone number, the amount of the expense, a description of the expense, the date the expense occurred and the name of the patient, and a statement that the expenses submitted for reimbursement have not been nor will be otherwise reimbursed.

COORDINATION OF BENEFITS; HEALTH FSA TO REIMBURSE FIRST

Benefits under this HRA Account are intended to pay benefits solely for Qualified Medical Care Expenses not previously reimbursed or reimbursable elsewhere. To the extent that an otherwise eligible Qualified Medical Care Expense is covered or reimbursable from another source, that other source must pay or reimburse prior to payment or reimbursement from this HRA Account. Without limiting the foregoing, if your Medical Care Expenses are covered by both the HRA and by a Health FSA, then the HRA is not available for reimbursement of such Medical Care Expenses until after amounts available for reimbursement under the Health FSA have been exhausted.

APPEAL PROCEDURE IF BENEFITS ARE DENIED UNDER THIS HRA ACCOUNT

If a claim for reimbursement under this HRA Account is denied in part or completely, you will receive written notice of the denial that will include the reason(s) why the claim was denied. You may file a written appeal to the Trustees according to the procedures detailed on page 17 of this SPD.

COBRA AND THE HRA ACCOUNT

If coverage terminates under the HRA Account because of a COBRA qualifying event, your Dependents (Qualified Beneficiary) may use the balance in your HRA Account until there is a zero balance in your HRA Account.

Claims and Appeals

FILING CLAIMS

There are two basic types of claims under the Plan:

- ▲ Health care claims, and
- ▲ Claims for Death Benefits for Retired Employees only.

Once you are eligible for coverage, you must ensure that you receive all the benefits to which you are entitled by filing a claim for those benefits. You may contact the Fund Office at 708-449-9004 or visit www.myfundoffice.com to contact the Fund Office to obtain the proper claim form.

You should file your claim for benefits within 90 days, or as soon as possible. In no event, will the Plan pay claims submitted later than one year after the date the loss or expense was incurred.

HEALTHCARE CLAIMS

Most health care providers will submit claims for you. Be sure to show your ID card so your provider knows where to submit the claim. If your provider does not submit a claim for you, it is your responsibility to do so.

Most medical providers will file claims for you.

A claim for benefits is a request for benefits made in accordance with the Plan's claims procedures. Simple inquiries or phone calls about the Plan's provisions that are unrelated to a specific claim are not claims for benefits.

You should review any bills you receive for services performed or treatment obtained for accuracy. You should report any discrepancies to the Plan. A separate claim is required for each person for whom services were performed or treatment obtained. If another plan or fund is the primary payer, you should include the Explanation of Benefits (EOB) from the other plan or fund when you file your claim for benefits.

The following describes the procedures for you to follow in filing a claim for healthcare benefits under the Plan and to appeal the decision if your claim has been denied in whole or in part.

If your provider does not submit an electronic claim form on your behalf for health care services, you or your Dependents may submit a written claim for benefits. To assist the Fund Office in processing written claims as quickly as possible, please follow the steps listed below.

Obtain the proper claim form from the Fund Office or by visiting www.myfundoffice.com.

- ▲ If possible, obtain the claim form before your Hospitalization or before you begin treatment; or
- ▲ In the case of an Emergency, have the Hospital or a family member obtain a claim form as soon as possible. The person who calls should be able to provide the Retired Employee's name and BCBSIL ID number.

Complete your portion of the form by filling in all information requested. Be sure to sign your form and include:

- ▲ Retired Employee's name;
- ▲ Patient's name, date of birth, address, and identification number;
- ▲ Date the service was performed or treatment received;
- ▲ Physician's service or procedure code (CPT-4);
- ▲ Diagnosis code (ICD-9);
- ▲ Billed charge for the service performed or treatment received;
- ▲ Number of units (for anesthesia and certain other claims);
- ▲ Service provider's name, address, phone number, professional degree or license, and federal tax identification number; and
- ▲ Accident details if treatment was due to an accident. Refer to Subrogation and Reimbursement on page 23 for more information relating to expenses incurred due to an accident.
- ▲ Have your provider complete the appropriate portion of the form, if applicable.
- ▲ Attach all bills or receipts relating to the service provided.
- ▲ Make sure each bill clearly identifies the service or supply, fee, patient's name, and date of service.
- ▲ If you are also covered by Medicare or another plan, attach a copy of the itemized bill relating to the health service provided and a copy of Medicare's or the other plan's Explanation of Benefits (EOB). Both the bill and EOB must be submitted.

Forward the completed form and all related bills as follows (contact details are listed on the **Important Contact Information** insert to this book):

- ▲ Medical post-service claims for you and your Dependents to the PPO provider.
- ▲ Transplant benefit claims to the Fund Office.

- ▲ All other healthcare claims, including prescription drug claims (for prescriptions not filled at a participating pharmacy) to the Fund Office. Receipt of completed claim forms, invoices from providers, and receipts for payment of covered services or supplies are considered as notice of claim and must be given to the Plan within 90 days of the occurrence of such an illness or injury, or as soon thereafter as is reasonably possible. In no case will the Plan pay claims submitted later than one year of the date the loss or expense was incurred.

Reimbursement for covered expenses will be made to you unless benefits have been assigned, in which case payment will be made to the provider of the service.

All claims should be submitted within 90 days after you receive a bill for services or supplies. In the case of extenuating circumstances, you must file your claim within one year after the date the loss or expense was incurred. If you do not meet this deadline, your claim will be invalidated.

TYPES OF HEALTHCARE CLAIMS

Under the Plan, there are four types of healthcare claims (including medical and prescription drug claims):

Urgent Care: A claim for care or treatment that would:

- ▲ Seriously jeopardize your life or health if normal pre-service standards were applied; or
- ▲ Subject you to severe pain that cannot be adequately managed without the care or treatment for which pre-authorization is sought, in the opinion of a Physician with knowledge of your condition.

Pre-Service: A claim for care or treatment where pre-authorization is required. You are required to get pre-authorization for organ transplant benefits.

Concurrent: A claim that is reconsidered after it is initially approved and the reconsideration results in reduced benefits or termination of the benefits.

Post-Service: A claim for health care benefits for which you have already received the service.

The claims procedures for benefits are different for each type of claim, as described in the following sections.

TIMING OF HEALTHCARE CLAIM DECISIONS

When a claim is submitted, the responsible Plan provider/representative will determine if you are eligible for benefits and calculate the amount of benefits payable, if any. All claims will be processed promptly after complete claim information is received. The Plan will make an initial determination on your healthcare claim within certain timeframes, as follows:

Benefits will not be denied for pre-service claims if:

- It is not possible for you to obtain pre-authorization; or
- The pre-authorization process would jeopardize your life or health.

Health Care Claims:

- ▲ **Urgent Care Claims:** An initial determination will be made as soon as possible and no later than 72 hours from receipt of the claim. Notice of a decision on an urgent care claim may be provided orally within 72 hours and then confirmed in writing within three days after the oral notice. If additional information is needed to process the claim, notification will be provided within 24 hours of receipt of the claim. You then have up to 48 hours to respond. The Plan will notify you of its determination within 48 hours of the later of receipt of the additional information or the end of the 48-hour period for you to provide the additional information.
- ▲ **Pre-Service Claims:** An initial determination will be made within 15 days from receipt of the claim. If additional time is needed to make a determination, due to matters beyond the control of the Plan, written notification will be provided within the initial 15-day deadline that up to 15 additional days may be needed. If additional information is needed to process the claim, the initial period will be suspended and you will be notified of what information is needed. You then have up to 45 days from receipt of the notice to provide the requested information. After 45 days or, if sooner, after the information is received, a determination will be made before the end of the initial period, which begins to run again.

▲ **Concurrent Claims:** In general, you will be notified as soon as possible and in time to allow you to have an appeal decided before the benefit is reduced or terminated. If an extension of approved urgent care treatment is requested (i.e., longer than the prescribed period or number of treatments), the Plan will act on the request within 24 hours after receiving it, as long as the claim is received at least 24 hours before the expiration of the approved treatment. If a concurrent care claim does not involve urgent care treatment or is filed less than 24 hours before the expiration of the previously approved period or number of treatments, the Plan will respond according to the type of claim involved.

▲ **Post-Service Claims:** An initial determination will be made within 30 days from receipt of the claim. If additional time is needed to make a determination due to matters beyond the control of the Plan, written notification will be provided within the initial 30-day deadline that up to 15 additional days may be needed. If additional information is needed to process the claim, the initial period will be suspended and you will be notified of what information is needed. You then have up to 45 days from receipt of the notice to provide the requested information. After 45 days or, if sooner, after the information is received, a determination will be made before the end of the initial period, which begins to run again. Post-service claims include claims involving a rescission of coverage.

Once the Plan makes payment on a claim, no further payment will be made.

You will be notified of an initial determination within certain timeframes. If a concurrent or post-service claim is approved, payment will be made, you will receive an Explanation of Benefits (EOB), and the payment and EOB will be considered your notice that the claim was approved. However, for urgent care, pre-service, and disability claims, you will be given written notice of a determination on your claim.

If circumstances require an extension of time for making a determination on a claim, written notification will be provided stating the special circumstances for the extension and the date a determination is expected.

If a concurrent claim is not an urgent care claim, it will be processed in the same manner as a pre-service or post-service claim, whichever is applicable.

DEATH BENEFIT CLAIMS

Upon your Death, as explained on page 10, your survivors must file a claim for benefits. Your survivors may contact the Fund Office at 708-449-9004 or visit www.myfundoffice.com to obtain the proper claim form. Your survivors must complete the claim form and submit it to the Fund Office within 90 days of the date of loss. In no event, will the Plan pay claims submitted later than one year after the date of loss. The Plan will make an initial determination on your Death or Accidental Death and Dismemberment claim within certain timeframes, as follows:

Death Benefit Claims. An initial determination will be made within 90 days from receipt of the claim. If additional time or information is needed to make a determination, due to matters beyond the control of the Plan, written notification will be provided within the initial 90-day deadline that up to 90 additional days may be needed. If additional information is needed to process the claim, the initial period will be suspended and your survivors will be notified of what information is needed. Your survivors then have up to 45 days from receipt of the notice to provide the requested information. After 45 days or, if sooner, after the information is received, a determination will be made within 90 days.

Once the Plan makes payment on a claim, no further payment will be made.

IF A CLAIM IS DENIED

If your claim for benefits is denied, in whole or in part, you will be provided with oral and/or written (or electronic, if possible) notice in the form of an EOB not later than the period permitted to make the determination (as previously described).

When the Plan notifies you of its initial denial on a claim, the written notice will include:

The specific reason(s) for the decision;

Reference to the Plan provision(s) on which the decision was based;

A description of any additional information or material needed to properly process your claim and an explanation of why it is needed;

A copy of the Plan's review procedures and periods to appeal your claim, including:

▲ A description of the expedited review process for urgent healthcare claims, if applicable; and

▲ A statement that you may bring a lawsuit under ERISA following the appeal and review of your claim; and

If your healthcare claim is denied based on:

- ▲ Any rule, guideline, protocol, or similar criteria, a statement that a copy of the information is available to you at no cost upon request; or
- ▲ Medical Necessity, Investigative or Experimental treatment, or similar exclusion or limit, a statement that a copy of the scientific or clinical judgment is available to you at no cost upon request.

When filing or appealing a claim, you may authorize a representative to act on your behalf (see page 20).

APPEALING A DENIED CLAIM

In most cases, disagreements about benefit eligibility or amounts can be handled informally by calling the Fund Office. If a disagreement is not resolved, there is a formal procedure you can follow to have your claim reconsidered.

If your claim is denied or you disagree with the amount of the benefit, you have the right to have the initial decision reviewed. You must follow the appeals procedure before you file a lawsuit under ERISA, the federal law governing employee benefits.

In general, you should send your written request for an appeal to the Fund Administrator at the Fund Office as soon as possible. For urgent healthcare claims, your appeal may be made orally.

If your claim is denied or if you are otherwise dissatisfied with a determination under the Plan, you must file your written appeal within 60 days from the date of the initial determination of a Death Benefit claim, or within 180 days from the date of the initial determination of an adverse healthcare benefit determination.

Your written appeal must explain the reasons you disagree with the decision on your claim. When filing an appeal you may:

- ▲ Submit additional materials, including comments, statements, or documents;
- ▲ Request to review all relevant information (free of charge);
- ▲ Request a copy of any internal rule, guideline, protocol, or other similar criteria on which the denial was based; and

- ▲ Request a copy of any explanation of the scientific or clinical judgment on which the denial of a healthcare claim was based if the denial was based on Medical Necessity, Investigative or Experimental treatment, or similar exclusion or limit.

BENEFIT APPEALS COMMITTEE

The Board of Trustees has established a Benefit Appeals Committee that has the authority and power to review and hear the appeals of all adverse benefit determinations. The Trustees will appoint up to two Union Trustees and up to two Employer Trustees to the Benefit Appeals Committee, each of whom will serve until the Trustees appoint replacements.

The Benefit Appeals Committee (and the Board of Trustees) has discretionary authority to determine all benefit claim appeals and to interpret the Plan. The determination of the Benefit Appeals Committee (or the Board of Trustees) will be given judicial deference in any later court action to the extent it is not arbitrary and capricious.

When you appeal a denied claim, the Benefit Appeals Committee and Fund Counsel will be provided the following information:

Your claim for benefits with any forms, invoices, and other materials you have submitted.

A copy of the Fund Administrator's denial, which should be dated and contain:

- ▲ The specific reason(s) for the denial;
- ▲ The specific reference to applicable Plan provisions on which the denial is based;
- ▲ A description of any additional information or information necessary for you to complete the claim and an explanation of why the material or information is necessary; and
- ▲ An explanation of the claim appeal procedures and the right to bring a civil action under ERISA following an adverse benefit determination.
- ▲ Any additional relevant information.

If the Benefit Appeals Committee agrees to approve, reverse, or remand the appeal, then the decision is final and binding. If they tie on a decision, the appeal will be referred with recommendations to the full Board of Trustees for consideration within the required appeal time limits. For appeals referred from the Benefit Appeals Committee and heard by the full Board of Trustees, the Benefit Appeals Committee will not vote when the full Board considers the matter.

If the decision on a claim or the decision on review is not furnished within the time limits established in this section, the claim or the review will be deemed to have been denied. No claim will be deemed to have been denied until you have exhausted all of the Plan's claim and appeal procedures.

Every final decision of the Benefit Appeals Committee will be distributed to the full Board of Trustees at the next regular Board meeting following the decision.

APPEAL DECISIONS

If you file your appeal on time and follow the required procedures, a new, full, and independent review of your claim will be made and the decision-maker will not defer to the initial decision. You will be notified, in writing, of the decision on any appeal within the timeframes noted in the *Appeal Timeframes* subsection below. However, oral notice of a determination on an urgent care claim may be provided sooner.

The Board of Trustees' Appeals Committee or the Board will perform the appeal review and make a decision on your claim. The appropriate fiduciary of the Plan that conducts the review will not be:

- ▲ The individual who made the initial decision to deny the claim; or
- ▲ An individual who reports to or works for the individual who made the initial decision to deny the claim.

Neither you nor your authorized representative has a right to appear before the Board of Trustees' Appeals Committee or the Board to present your case. However, as part of your request for review, you or your authorized representative may inspect all documents relating to your claim.

Appeal Timeframes

The Plan's determination will be made within certain timeframes. The deadlines differ for the different types of claims as follows:

Health Care Appeals

- ▲ *Urgent Care Appeals*—A determination will be made as soon as possible and no later than 72 hours from receipt of the appeal by the Board of Trustees' Appeals Committee.
- ▲ *Pre-Service Appeals*—A determination will be made within 30 days from receipt of the appeal by the Board of Trustees' Appeals Committee.
- ▲ *Concurrent Appeals*—A determination will be made before reduction or termination of the benefit, if possible.

- ▲ *Post-Service Appeals*—A determination will be made within 60 days from receipt of the appeal by the Board of Trustees' Appeals Committee.

Death Benefit Appeals—A determination will be made within 60 days from receipt of the appeal by the Board of Trustees' Appeals Committee. If special circumstances exist that require an extension of time to make a determination on the appeal, notification will be provided before the end of the 60-day appeal determination period. A determination will be made no later than 60 days from the initial 60-day appeal determination period.

Other Appeal—A determination will be made within 60 days from receipt of the appeal by the Board of Trustees' Appeals Committee. If special circumstances exist that require an extension of time to make a determination on the appeal, notification will be provided before the end of the 60-day appeal determination period. A determination will be made no later than 60 days from the initial 60-day appeal determination period.

Information Requirements

If your appeal is denied, in whole or in part, you will be provided with oral and/or written notice no later than the period permitted to make the determination (as previously described).

When the Plan notifies you of a denial on an appeal, the written notice will include:

The specific reason(s) for the decision;

Reference to the Plan provision(s) on which the decision was based;

A statement that you may bring a lawsuit under ERISA within three years following the appeal and review of your claim;

A statement of any voluntary Plan appeal procedures; and

If your appeal is denied based on:

- ▲ Any rule, guideline, protocol, or similar criteria, a statement that a copy of the information is available to you at no cost upon request; or
- ▲ Medical Necessity, Investigative or Experimental treatment, or similar exclusion or limit, a statement that a copy of the scientific or clinical judgment is available to you at no cost upon request.

You must follow the Plan's claims and appeals procedures completely before you bring an action in court under Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA) to obtain benefits.

MEDICAL JUDGMENT

A medical judgment includes a review of a claim or appeal on the basis that it is:

Investigative;

- ▲ Experimental;
- ▲ Not Medically Necessary; or
- ▲ Appropriately excluded from medical coverage.

The Plan's appeal procedures require independent medical review if a denial is based on medical judgment. If a claim is denied based on a medical judgment, the decision-maker on appeal will consult with a health care professional who:

- ▲ Has appropriate training and experience in the field of medicine involved in the medical judgment; and
- ▲ Was not consulted (or is not subordinate to the person who was consulted) in connection with the denial of your claim.

The review will identify the medical or vocational experts whose advice was obtained on behalf of the Plan, whether or not the decision-maker relied on the advice.

AUTHORIZED REPRESENTATIVE

For benefit claims and appeals, you may authorize certain individuals to act on your behalf. You will need to submit a HIPAA-compliant written statement (available from the Fund Office) authorizing this individual. Your authorized representative will be responsible for, and will receive all information related to, your benefit claim or appeal.

Only the following will be recognized as your authorized representative upon receipt of a written statement from you:

- ▲ Health care provider;
- ▲ Spouse;
- ▲ Dependent child age 18 or older;
- ▲ Parent or adult sibling;
- ▲ Grandparent;
- ▲ Court ordered representative, such as an individual with power of attorney for health care purposes or legal guardian or conservator; or
- ▲ Other adult.

For an urgent care claim, a health care professional with knowledge of your condition will be recognized as your authorized representative without a written statement from you.

COORDINATION OF BENEFITS

The Plan is designed to help you meet the cost of health care expenses. It is not intended, however, to give you greater benefits than your actual health care expenses. The amount of benefits payable under this Plan will take into account any coverage you or a Dependents has under other plans. Benefits under this Plan will be coordinated with the benefits payable to you or your Dependents under other plans. Specifically, in a Benefit Plan Year or Calendar Year, this Plan will always pay to you either its regular benefits in full or a reduced amount that, when added to the benefits payable to you by the other plan(s), will equal the total allowable expenses. However, no more than the maximum benefits payable under this Plan will be paid.

If you or your Dependents is covered under another plan, you must report such duplicate group coverage to the Fund Office to secure reimbursement of allowable expenses incurred. If you gain coverage under another plan as an active employee, then that coverage is primary and coverage under this Plan is secondary.

Allowable Expenses

Any necessary, Reasonable, and Customary Charge, at least part of which is covered under one of the plans covering you or your Dependents for which benefit payment is made. If a plan provides benefits in the form of services or supplies instead of cash, the reasonable cash value of the service rendered and supplies furnished (if otherwise an allowable expense) will be considered both an allowable expense and a benefit paid.

This Plan's secondary benefits will be limited if, under this Plan's coordination of benefits rules:

This Plan's coverage is secondary; and

The primary plan includes a provision that results in the primary plan paying a lesser benefit when there is secondary coverage. In this situation, as the secondary payer, this Plan may limit benefits to no more than the lesser of the:

- ▲ Difference between the amount that the Participant's primary plan would have paid if the primary plan had been the only plan providing coverage and the total amount of covered charges; or

- ▲ Amount that this Plan would have paid had this Plan's coverage been primary.

This rule takes precedence over any contrary provision in the primary plan and applies whether the coverage under the primary plan is provided through a sub-plan, wrap-around plan, or any other designation.

"Other plan" means any plan providing benefits or services for health care that are provided by:

- ▲ Group insurance coverage or group-type insurance (for example, individually underwritten group insurance), whether insured or uninsured (self-funded), blanket, franchise, general liability, or common carrier insurance;
- ▲ Service plan contracts, group practice, individual practice, and other prepayment coverage;
- ▲ Coverage under a labor-management trusteeship plan, union welfare plan, employer organization plan, employee benefit organization plan, or any other group arrangement or employer provided individual coverage;
- ▲ Any homeowner's policy or other policy providing liability coverage;
- ▲ Any coverage for students sponsored by or provided through a school or other educational institution;
- ▲ Any mandatory no-fault automobile insurance coverage providing benefits under a medical expense reimbursement provision for Hospital, medical, or other health care services and treatment because of accidental bodily injuries arising out of a motor vehicle accident and any other payment received under any automobile policy; or
- ▲ Government programs or any coverage required or provided by any law, including Medicare. This does not include a state plan under Medicaid (Title XIX, Grants to States for Medical Assistance Programs, of the United States Social Security Act (42 U.S.C.A. 301 et seq.), as amended from time to time).

Order of Payment

If you or your Dependents are covered under more than one plan, the primary plan pays first, regardless of the amount payable under any other plan. The other plan, the secondary plan, will adjust its benefit payment so that the total benefits payable do not exceed 100% of total charges incurred, but no more than the plan's actual benefit.

The following rules determine which plan is the primary plan:

- ▲ A plan that does not have a coordination of benefits rule is always primary.
- ▲ A plan -- including Medicare -- that covers a person other than as a dependent (for example, a retired employee) is primary.
- ▲ A plan that covers an individual as an employee is primary. For example, if a plan covers an individual as an active employee, who is neither laid off nor retired (or as the dependent of that individual), that plan is primary and will pay benefits first before the plan that covers the individual as a laid off or retired employee (or as the dependent of that individual). This is known as the "active employee rule." If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored.

If a plan covers an individual who is also covered under COBRA Continuation Coverage (or other federal or state law continuation coverage), the following order applies:

- ▲ The plan covering the individual as an employee, member, or subscriber (or the dependent of that individual) is primary; and
- ▲ The continuation coverage plan is secondary.

This is known as the "continuation coverage rule." If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored.

If none of the above apply, the benefits of a plan that has covered the person for whom the claim has been incurred for the longest period will be paid before those of the other plan.

If you or your Dependents are eligible for Medicare and elect not to be covered under this Plan, no benefits will be paid under this Plan.

If you or your Dependents receive benefits from the Plan while not eligible to receive such benefits, the Plan may recover and collect those payments from you or your Dependents, or such other organization(s) that may be liable to the Plan for such repayments. The Plan may also release or obtain data needed to determine the benefits payable under this Plan and repay any party for a payment made by the party when this Plan should have made the payment. See page 23 for more information.

Coordination of Benefits with Medicare

Medicare is a multi-part program:

Medicare Part A: Officially called *Hospital Insurance Benefits for the Aged and Disabled*, Part A primarily covers Hospital benefits, although it also provides other benefits.

Medicare Part B: Officially called *Supplementary Medical Insurance Benefits for the Aged and Disabled*, Part B primarily covers Physician's services, although it, too, covers a number of other items and services.

Medicare Part C: Also called *Medicare Advantage*, Part C is the managed care portion of Medicare and allows more choices in selecting medical coverage by making it possible for people who are eligible for Medicare to select the managed care health plan that they would like to join. Your specific choices under Part C will depend on where you live. Some plans charge an additional monthly premium, but many do not. You may also pay the plan a Copayment per visit or service.

Medicare Part D: Officially called *Medicare Prescription Drug Coverage*, Part D is Medicare's prescription drug benefits.

Typically, you become eligible for Medicare upon reaching age 65. Under certain circumstances, you may become eligible for Medicare before age 65 if you are a disabled worker, dependent widow, or have End-Stage Renal Disease (ERD or ESRD). You should be aware that even if you do not choose to retire and do not begin receiving Social Security monthly payments at age 65, you are eligible to apply for Medicare. Since Part A is ordinarily free, you should apply for it as soon as you are eligible. You will be required to pay a monthly premium for Part B and possibly for Parts C and/or D.

For all purposes of this provision, if you or your Dependents are entitled to benefits or other compensation under Medicare and Medicare is your primary plan, the Plan will reduce your benefits by the amount Medicare would have paid, even if you are not enrolled or participating in Medicare.

Any benefits payable to you or your Dependents under any portion of this Plan will be reduced by the amount of any benefits or other compensation to which you are entitled under any federal law, rules, or regulations constituting a governmental health plan, such as Medicare. Benefits will be reduced if you or your Dependents are above age 65 and Medicare is the primary plan over this Plan for the same Illness or Injury, regardless of whether or not you have received or made application for such benefits or compensation.

Accidental Injury Liability

In certain instances, benefits under this Plan are considered secondary and excess coverage to certain other types of insurance, known as "other insurance." Other insurance includes, but is not limited to:

- ▲ Automobile, motorcycle, or other motor vehicle insurance;
- ▲ Common carrier's liability insurance (such as bus or commercial airline); or
- ▲ Insurance coverage authorized by law to provide benefits to or for a Participant for bodily and/or psychological Injury.

This provision applies to, but is not limited to, related Hospital, surgical, dental, and other medical expenses that are covered by this Plan if the other insurance was issued in conformity with "no-fault" or "personal injury protection" type laws or other similar state or local laws or regulations.

No payment will be made until proof is submitted to and judged acceptable by the Trustees that a proper claim has been made for the other insurance. Plan benefits will be:

- ▲ Paid if the other insurance has been denied; or
- ▲ Coordinated with the other insurance, if any.

The above designation of other insurance as primary will prevail over any state or local law, regulation, or provision if the other insurance is contrary to or inconsistent with this designation.

Information Gathering

To implement the Plan's coordination of benefits provisions, the Trustees or Fund Administrator may, without the consent of, or notice to, any person, release to or obtain from any insurance company or other organization or person any information, with respect to any person that the Plan deems to be necessary for such purposes. Any person claiming benefits under this Plan must provide to the Trustees or Fund Administrator such information as may be necessary to implement the provisions of this section or to determine their applicability. These information gathering provisions are subject to the Plan's Privacy Policy, as summarized on page 26.

If a third party is liable for any benefits provided by the Plan, you should make a claim or take any legal action necessary against the third party.

SUBROGATION, REIMBURSEMENT, AND THIRD PARTY LIABILITY

This provision applies when you and/or your Dependents are Ill or Injured due to the act or omission of another person or party (referred to throughout this section as Third Party). In these instances, if you and/or your Dependents receive benefits under the Plan for such Illness or Injury, you and/or your Dependents will be required to reimburse the Plan for those benefits from all recoveries from a Third Party whether by lawsuit, settlement, or otherwise. This provision also applies in the event that an Illness or Injury arises in the course of your or your Dependents' work or while engaged in some activity for wage or profit that may lead to liability under a workers compensation claim. The employer or workers compensation insurance carrier may deny the claim. In such a case, the Trustees may agree to pay the claim subject to the reimbursement and other terms of this provision.

Advance on Plan Benefits

The Plan does not cover expenses for services or supplies for which there is any recovery from, or potential legal liability of, any Third Party; this includes expenses arising from a work-related Illness or Injury. The recovery may be acquired by settlement, judgment, or otherwise. However, the Board of Trustees, in its sole discretion, may advance payment on account of Plan benefits (referred to throughout this section as an Advance), subject to its right to be reimbursed to the full extent of any Advance payment from you and/or your Dependents if and when there is any recovery from any Third Party.

The Plan's right to reimbursement applies even if the recovery is not:

- ▲ Characterized in a settlement or judgment as being paid on account of the medical, dental, or other expenses for which the Advance was made; or
- ▲ Sufficient to make the Ill or Injured covered individual whole pursuant to state law or otherwise (sometimes referred to as the "make-whole" rule).

If the Plan makes an Advance, the Plan is subrogated to all rights of recovery, which means the Plan has a right to first reimbursement out of any recovery obtained.

The Plan is entitled to first-dollar reimbursement from your and/or your Dependents' claim against the Third Party. Under the Plan's right to reimbursement, the amount of the Plan's reimbursement is not affected or reduced:

- ▲ If the recovery is reduced due to your or your Dependents' negligence (sometimes referred to as contributory negligence) or any other common law defense; or
- ▲ By any legal fees or other expenses you and/or your Dependents incur in connection with the recovery from the Third Party or the Third Party's insurer pursuant to state law or otherwise (sometimes referred to as the "common fund" rule).

The Plan's right to reimbursement applies regardless of the existence of any state law or common law rule that would bar recovery from a person or entity that caused the Illness or Injury, or from the insurer of that person or entity (sometimes referred to as the "collateral source" rule).

Reimbursement and/or Subrogation Agreement

You and any Dependents on whose behalf an Advance is made, must sign and deliver a reimbursement and/or subrogation agreement (referred to throughout this section as Agreement) in a form provided by or on behalf of the Plan. If one or more of the Ill or Injured covered individuals is incompetent to execute that Agreement, that person's spouse, or legal representative (in the case of an incompetent adult) must execute that Agreement upon request by the Plan Administrator or its designee.

If the Agreement is not executed by the covered individual(s), at the Plan Administrator's request, or if the Agreement is modified in any way without the consent of the Plan Administrator, the Plan may refuse to make any Advance. However, in its sole discretion, if the Plan Administrator makes an Advance in the absence of an Agreement, or if the Plan makes an Advance in error, that Advance will not waive, compromise, diminish, release, or otherwise prejudice any of the Plan's rights to reimbursement or subrogation.

Cooperation with the Plan

By accepting an Advance or by receiving the benefit of an Advance due to the payment of covered expenses, regardless of whether or not an Agreement has been executed, you and your Dependents must each agree:

- ▲ To reimburse the Plan for all amounts paid or payable to or on behalf of you or your Dependents by the Third Party or that Third Party's insurer for the entire Advance amount, and to hold any such amounts in constructive trust for the Plan until such time as they are reimbursed to the Plan;
- ▲ That the Plan has the first right of reimbursement from any judgment, settlement, or recovery;
- ▲ Not to do anything that will waive, compromise, diminish, release, or otherwise prejudice the Plan's reimbursement rights or subrogation rights;
- ▲ Not to assign the right of recovery to any other person or entity without the specific consent of the Plan;
- ▲ To notify and consult with the Plan Administrator or its designee before starting any legal action or administrative proceeding against a Third Party alleged to be responsible for the Illness or Injury that resulted in the Advance, and before entering into any settlement Agreement with that Third Party or Third Party's insurer based on those allegations; and
- ▲ To inform the Plan Administrator or its designee of all material developments with respect to all claims, actions, or proceedings against the Third Party.

Subrogation

By accepting an Advance or by receiving the benefit of an Advance due to the payment of covered expenses, regardless of whether or not an Agreement has been executed, you and/or your Dependents jointly agree that the Plan will be subrogated to your and/or your Dependents' right of recovery from a Third Party or that Third Party's insurer for the entire Advance amount, regardless of any state or common law rule to the contrary, including without limitation, the so-called "collateral source rule" (that would have the effect of prohibiting the Plan from recovering any amount).

This means that, in any legal action against a Third Party who may have been responsible for the Illness or Injury that resulted in the Advance, the Plan may be substituted in place of you and/or your Dependents, but only to the extent of the Advance amount. The Plan is subrogated in any and all actions against Third Parties for the portion of all recoveries to which the Plan is entitled.

In accordance with the Plan's subrogation rights, the Plan Administrator may, in its sole discretion:

- ▲ Start any legal action or administrative proceeding deemed necessary to protect the Plan's right to recover any Advance, and try or settle that action or proceeding in the name of, and with or without the full cooperation of, you and/or your Dependents, but in doing so, the Plan will neither provide legal representation for you or your Dependents nor will it provide legal advice to you and/or your Dependents with respect to your damages or recovery that exceeds any Advance amount;
- ▲ Intervene in any claim, legal action, or administrative proceeding started by you or your Dependents against any Third Party or Third Party's insurer concerning the Illness or Injury that resulted in the Advance; or
- ▲ Compromise or reduce its lien if the Trustees determine it is in the best interests of the Plan.

Lien and Segregation of Recovery

By accepting the Advance, you and your Dependents agree that:

- ▲ The Plan will automatically have an equitable lien, to the extent of the Advance, upon any recovery, whether by settlement, judgment, or otherwise, by you or your Dependents. The Plan's lien extends to any recovery from the Third Party, the Third Party's insurer, and/or the Third Party's guarantor and to any recovery received from the insurer under an automobile, uninsured motorist, underinsured motorist, medical or health insurance, or other benefits policy or plan. The Plan's lien exists regardless of the extent to which the actual proceeds of the recovery are traceable to particular funds or assets.

- ▲ You and your Dependents, and those acting on your behalf, hold in a constructive trust for the Plan that portion of the recovery to the extent of the Advance. You and your Dependents, and those acting on your behalf, place and maintain such portion of any recovery in a separate, segregated account until the reimbursement obligation to the Plan is satisfied. The location of the account, name of the custodian, if any, and the account number must be provided to the Plan.

If you and/or your Dependents, and those acting on your behalf, do not maintain this segregated account or comply with any of the Plan's reimbursement requirements, then you must stipulate to the entry of a temporary or preliminary injunction requiring the placement and maintenance of any reimbursable or disputed portion of any recovery in an escrow account until any dispute concerning reimbursement is resolved and the Plan receives all amounts that must be reimbursed.

Additional Plan Remedies Available

In addition to the other remedies discussed, if you and/or your Dependents, or those acting on your behalf, do not reimburse the Plan as required by this provision, the Plan may, at its sole discretion:

- ▲ Apply the amount not reimbursed to any future Plan benefits that may accrue or become payable on behalf of you or your Dependents whether or not the future Plan benefits are related to the original Plan benefits that were incurred as a result of the act or omission of a Third Party, which were excluded as work-related or otherwise excluded and subject to this provision;
- ▲ Exclude from coverage any future Plan benefits that may accrue or become payable on behalf of you or your Dependents that are related to the original Plan benefits that were incurred as a result of the act or omission of a Third Party, which were excluded as work-related or otherwise excluded and subject to this provision; or,
- ▲ Seek to obtain a judgment against you and/or your Dependents for the Advance amount not reimbursed and garnish or attach your and/or your Dependents' wages or earnings.

CORONAVIRUS NATIONAL EMERGENCY

During the National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak ("National Emergency"), pursuant to federal rules (85 Fed. Reg. 26351 – the "Coronavirus Rule"), and notwithstanding other Plan deadlines, the Plan will disregard the period from the earlier of: (a) one year from the date the individual was first eligible for relief (i.e., one year from their original deadline) or (b) 60 days after the announced end of the National Emergency, in determining the following periods and dates:

- 1) The period to request special enrollment,
- 2) The 60-day election period for COBRA Continuation Coverage,
- 3) The date for making COBRA premium payments,
- 4) The date for individuals to notify the Plan of a qualifying event or determination of disability,
- 5) The date within which individual may file a benefit claim under the Plan's claim procedure,
- 6) The date within which claimants may file an appeal of an adverse benefit determination under the Plan's claims procedure.

All as required under ERISA, the Internal Revenue Code, and federal rules (and as specified by 85 Fed. Reg. 26351).

The Plan shall further conform to all lawful requirements of the Coronavirus Rule.

Privacy Policy

The information in this section was issued pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended.

DISCLOSURE OF SUMMARY HEALTH INFORMATION TO PLAN SPONSOR

In accordance with the Privacy Policy, the Plan may disclose Summary Health Information to the Plan Sponsor if the Plan Sponsor requests the Summary Health Information for the purpose of:

- ▲ Obtaining premium bids from health plans for providing health insurance coverage under this Plan; or
- ▲ Modifying, amending, or terminating the Plan.

Summary Health Information may be individually identifiable health information and it summarizes the claims history, claims expenses, or the type of claims experienced by individuals in the Plan, but it excludes all identifiers that must be removed for the information to be de-identified, except that it may contain geographic information to the extent that it is aggregated by five-digit zip code.

DISCLOSURE OF PHI TO PLAN SPONSOR FOR PLAN ADMINISTRATION PURPOSES

For the Plan Sponsor to receive and use PHI for Plan Administration purposes, the Plan Sponsor agrees to:

- ▲ Not use or further disclose PHI other than as permitted or required by the Plan Documents or as required by law (as defined in this Privacy Policy).
- ▲ Ensure that any agents, including a subcontractor, to whom the Plan Sponsor provides PHI from the Plan agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to such PHI.
- ▲ Not use or disclose PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor, except pursuant to an authorization that meets the requirements of the Privacy Policy.
- ▲ Report to the Plan any PHI use or disclosure that is inconsistent with the uses or disclosures provided for or that the Plan Sponsor becomes aware.

- ▲ Make available PHI in accordance with Section 164.524 of the Privacy Standards (45 CFR 164.524).
- ▲ Make available PHI for amendment and incorporate any amendments to PHI in accordance with Section 164.526 of the Privacy Standards (45 CFR 164.526).
- ▲ Make available the information required to provide an accounting of disclosures in accordance with Section 164.528 of the Privacy Standards (45 CFR 164.528).
- ▲ Make its internal practices, books, and records relating to the use and disclosure of PHI received from the Plan available to the Secretary of the U.S. Department of Health and Human Services (HHS), or any other officer or employee of HHS to whom the authority involved has been delegated, for purposes of determining compliance by the Plan with Part 164, Subpart E, of the Privacy Standards (45 CFR 164.500 et seq.).
- ▲ If feasible, return or destroy all PHI received from the Plan that the Plan Sponsor still maintains in any form and retain no copies of such PHI when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the PHI infeasible.
- ▲ Ensure that adequate separation between the Plan and the Plan Sponsor, as required in Section 164.504(f)(2)(iii) of the Privacy Standards (45 CFR 164.504(f)(2)(iii)), is established as follows:
 - The following employees, or classes of employees, or other persons under control of the Plan Sponsor, will be given access to the PHI to be disclosed:
 - Trustees of the Local Union No. 9, IBEW and Outside Contractors Health and Welfare Trust Fund; and
 - Health and Welfare Fund Administrator Staff.
 - The access to and use of PHI by the individuals described above will be restricted to the Plan Administration functions that the Plan Sponsor performs for the Plan.

- In the event any of the individuals described above do not comply with the provisions of the Plan Documents relating to use and disclosure of PHI, the Fund Administrator will impose reasonable sanctions as necessary, in its discretion, to ensure that no further non-compliance occurs. Such sanctions will be imposed progressively (for example, an oral warning, a written warning, time off without pay, and termination), if appropriate, and will be imposed so that they are commensurate with the severity of the violation.

Plan Administration functions are activities that would meet the definitions of treatment, payment, and health care operations. Plan Administration functions include, but are not limited to, quality assurance, claims processing, auditing, monitoring, management, stop loss underwriting, stop loss claims filing, eligibility information requests, Medical Necessity reviews, appeal determinations, Utilization Management review, Case Management, and disease management. It does not include any employment-related functions or functions in connection with any other benefit or benefit plans.

The Plan will disclose PHI to the Plan Sponsor only upon receipt of a certification by the Plan Sponsor that the:

- ▲ Plan Documents have been amended to incorporate the above provisions; and
- ▲ Plan Sponsor agrees to comply with such provisions.

DISCLOSURE OF CERTAIN ENROLLMENT INFORMATION TO PLAN SPONSOR

Pursuant to Section 164.504(f)(1)(iii) of the Privacy Standards (45 CFR 164.504(f)(1)(iii)), the Plan may disclose to the Plan Sponsor information on whether an individual is participating in the Plan or is enrolled in or has disenrolled from a health insurance issuer or health maintenance organization offered by the Plan to the Plan Sponsor.

OTHER DISCLOSURES AND USES OF PHI

With respect to all other uses and disclosures of PHI, the Plan will comply with the Privacy Policy.

PROTECTION AND SECURITY OF YOUR PHI

The Plan Sponsor will:

- ▲ Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic PHI that it creates, receives, maintains, or transmits on behalf of the group health plan;
- ▲ Ensure that the adequate separation between the Plan and Plan Sponsor, specific to electronic PHI, is supported by reasonable and appropriate security measures;
- ▲ Ensure that any agent, including a subcontractor, to whom it provides electronic PHI agrees to implement reasonable and appropriate security measures to protect the electronic PHI; and
- ▲ Report to the Plan any security incident of which it becomes aware concerning electronic PHI.

BREACH NOTIFICATION RIGHTS FOR UNSECURED PROTECTED HEALTH INFORMATION UNDER HIPAA

The Health Information Technology for Economic and Clinical Health (HITECH) Act requires the Fund Office to provide notification to you following the discovery of a breach of your unsecured PHI. In addition, the Fund Office is also required to notify the Department of Health and Human Services (HHS) if there is a breach. Further, if the breach involved more than 500 individuals, the Act requires the Fund Office to provide notification to the media.

If your unsecured PHI is breached, the Fund Office will notify you without unreasonable delay and in no case no later than 60 calendar days after discovery of the breach. Notice will be provided by first-class mail where possible, so it is important to keep the Plan up to date with your current mailing address.

Under HIPAA, you have a statutory right to file a complaint with the Fund Office or the HHS Secretary if you believe that your privacy rights have been violated. The HITECH Act specifically provides that you also have a right to file a complaint should you feel that the Fund Office has improperly followed the breach notification process.

PRIVACY NOTICE

This Privacy Notice describes how PHI may be used or disclosed by this Plan to carry out treatment, payment, health care operations, and for other purposes that are permitted or required by law. This Notice also sets out this Plan's legal obligations concerning a Participant's PHI and describes a Participant's rights to access and control that PHI.

Protected Health Information (PHI) is individually identifiable health information, including demographic information, collected from a Participant or created or received by a health care provider, a health plan, an employer (when functioning on behalf of the group health plan), or a health care clearinghouse and that relates to:

- ▲ A Participant's past, present, or future physical or mental health condition;
- ▲ The provision of health care to a Participant; or
- ▲ The past, present, or future payment for the provision of health care to a Participant.

This Notice has been drafted to be consistent with what is known as the HIPAA Privacy Rule, and any of the terms not defined in this Notice should have the same meaning as they have in the HIPAA Privacy Rule.

If you have any questions or want additional information about the policies and procedures described in the Notice or how to obtain a copy of the Notice, please contact:

Fund Administrator
Local Union No. 9, IBEW and Outside Contractors
Retired Employees Health and Welfare Plan
18670 Graphics Drive, Suite 201
Tinley Park, IL 60477
708-449-9004

Plan's Responsibilities

The Plan is required by law to maintain the privacy of a Participant's PHI. The Plan is obligated to provide you with a copy of this Notice of the Plan's legal duties and of its privacy practices with respect to PHI, and the Plan must abide by the terms of this Notice. The Plan reserves the right to change the provisions of this Notice and make the new provisions effective for all PHI that is maintained. If the Plan makes a material change to this Notice, a revised Notice will be mailed to the address that the Plan has on record.

When using or disclosing PHI or when requesting PHI from another covered entity, the Plan will make reasonable efforts not to use, disclose, or request more than the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure, or request, taking into consideration practical and technological limitations.

However, the minimum necessary standard will not apply in the following situations:

- ▲ Disclosures to or requests by a health care provider for treatment;
- ▲ Uses or disclosures made to the individual;
- ▲ Disclosures made to the Secretary of the U.S. Department of Health and Human Services;
- ▲ Uses or disclosures that are required by law;
- ▲ Uses or disclosures that are required for compliance with the HIPAA Privacy Rule; and
- ▲ Uses or disclosures made pursuant to an authorization.

This Notice does not apply to information that has been de-identified. De-identified information is health information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used to identify an individual. It is not individually identifiable health information.

Primary Uses and Disclosures of PHI

The following is a description of how the Plan is most likely to use and/or disclose a Participant's PHI.

Treatment, payment, and health care operations:

The Plan has the right to use and disclose a Participant's PHI for all activities that are included within the definitions of treatment, payment, and health care operations as described in the HIPAA Privacy Rule.

Treatment: The Plan will use or disclose PHI so that a Participant may seek treatment. Treatment is the provision, coordination, or management of health care and related services. It also includes, but is not limited to, consultations and referrals between one or more of a Participant's providers. For example, the Plan may disclose to a treating specialist the name of a Participant's primary care Physician so that the specialist may request medical records from that primary care Physician.

This Privacy Notice describes how medical information about Participants may be used and disclosed and how Participants can get access to the information. Please review it carefully.

Payment: The Plan will use or disclose PHI to pay claims for services provided to a Participant and to obtain stop-loss reimbursements, if applicable, or to otherwise fulfill the Plan's responsibilities for coverage and providing benefits. For example, the Plan may disclose PHI when a provider requests information regarding a Participant's eligibility for coverage under this Plan, or the Plan may use PHI to determine if a treatment that was received was Medically Necessary.

Health care operations: The Plan will use or disclose PHI to support its business functions. These functions include, but are not limited to quality assessment and improvement, reviewing provider performance, licensing, stop-loss underwriting, business planning, and business development. For example, the Plan may use or disclose PHI:

- ▲ To provide a Participant with information about a disease management program;
- ▲ To respond to a customer service inquiry from a Participant; or
- ▲ In connection with fraud and abuse detection and compliance programs.

Business Associates: The Plan contracts with individuals and entities (Business Associates) to perform various functions on its behalf or to provide certain types of services. To perform these functions or to provide the services, the Plan's Business Associates will receive, create, maintain, use, or disclose PHI, but only after the Plan requires the Business Associates to agree in writing to contract terms designed to appropriately safeguard PHI. For example, the Plan may disclose PHI to a Business Associate to administer claims or to provide service support, Utilization Management, subrogation, or pharmacy benefit management. Examples of the Plan's Business Associates would be its third party administrator, broker, preferred provider organization, and Utilization Management vendor.

Other covered entities: The Plan may use or disclose PHI to assist health care providers in connection with their treatment or payment activities or to assist other covered entities in connection with payment activities and certain health care operations. For example, the Plan may disclose PHI to a health care provider when needed by the provider to render treatment to a Participant, and the Plan may disclose PHI to another covered entity to conduct health care operations in the areas of fraud and abuse detection or compliance, quality assurance, and improvement activities or accreditation, certification, licensing, or credentialing. This also means that the Plan may disclose or share PHI with other insurance carriers to coordinate benefits, if a Participant has coverage through another carrier.

Plan Sponsor: The Plan may disclose PHI to the Plan Sponsor of the group health plan for purposes of plan administration or pursuant to an authorization request signed by the Participant. Also, the Plan may use or disclose Summary Health Information to the Plan Sponsor for obtaining premium bids or modifying, amending, or terminating the group health plan. Summary Health Information summarizes the claims history, claims expenses, or types of claims experienced by individuals for whom a Plan Sponsor has provided health benefits under a group health plan and from which identifying information has been deleted in accordance with the HIPAA Privacy Rule.

Potential Impact of State Law

The HIPAA Privacy Regulations generally do not preempt (or take precedence over) state privacy or other applicable laws that provide individuals greater privacy protections. As a result, to the extent state law applies, the privacy laws of a particular state, or other federal laws, rather than the HIPAA Privacy Regulations, might impose a privacy standard under which the Plan will be required to operate. For example, where such laws have been enacted, the Plan will follow more stringent state privacy laws that relate to uses and disclosures of PHI concerning HIV or AIDS, mental health, substance abuse/chemical dependency, genetic testing, reproductive rights, etc.

Other Possible Uses and Disclosures of PHI

The following is a description of other possible ways in which the Plan may (and is permitted to) use and/or disclose PHI.

Required by law: The Plan may use or disclose PHI to the extent that federal law requires the use or disclosure. When used in this Notice, required by law is defined as it is in the HIPAA Privacy Rule. For example, the Plan may disclose PHI when required by national security laws or public health disclosure laws.

Public health activities: The Plan may use or disclose PHI for public health activities that are permitted or required by law. For example, the Plan may use or disclose information for the purpose of preventing or controlling illness, injury, or disability, or it may disclose such information to a public health authority authorized to receive reports of child abuse or neglect. The Plan also may disclose PHI, if directed by a public health authority, to a foreign government agency that is collaborating with the public health authority.

Health oversight activities: The Plan may disclose PHI to a health oversight agency for activities authorized by law, such as for audits, investigations, inspections, licensure or disciplinary actions, or civil, administrative, or criminal proceedings or actions. Oversight agencies seeking this information include government agencies that oversee:

- ▲ The health care system;
- ▲ Government benefit programs;
- ▲ Other government regulatory programs; and
- ▲ Compliance with civil rights laws.

Abuse or neglect: The Plan may disclose PHI to a government authority that is authorized by law to receive reports of abuse, neglect, or domestic violence. Additionally, as required by law, the Plan may disclose to a governmental entity, authorized to receive such information, a Participant's PHI if there is reason to believe that the Participant has been a victim of abuse, neglect, or domestic violence.

Legal proceedings: The Plan may disclose PHI in:

- ▲ The course of any judicial or administrative proceeding;
- ▲ Response to an order of a court or administrative tribunal (to the extent such disclosure is expressly authorized); and
- ▲ Response to a subpoena, a discovery request, or other lawful process, once the Plan has met all administrative requirements of the HIPAA Privacy Rule. For example, the Plan may disclose PHI in response to a subpoena for such information, but only after first meeting certain conditions required by the HIPAA Privacy Rule.

Law enforcement: Under certain conditions, the Plan also may disclose PHI to law enforcement officials. For example, some of the reasons for such a disclosure may include, but are not limited to:

- ▲ Required by law or some other legal process;
- ▲ Necessary to locate or identify a suspect, fugitive, material witness, or missing person; or
- ▲ Necessary to provide evidence of a crime.

Coroners, medical examiners, funeral directors, and organ donation: The Plan may disclose PHI to a coroner or medical examiner for purposes of identifying a deceased person, determining a cause of death, or for the coroner or medical examiner to perform other duties authorized by law. The Plan also may disclose, as authorized by law, information to funeral directors so that they may carry out their duties. Further, the Plan may disclose PHI to organizations that handle organ, eye, or tissue donation and transplantation.

Research: The Plan may disclose PHI to researchers when an institutional review board or privacy board has:

- ▲ Reviewed the research proposal and established protocols to ensure the privacy of the information; and
- ▲ Approved the research.

Prevent a serious threat to health or safety:

Consistent with applicable federal and state laws, the Plan may disclose PHI if there is reason to believe that the disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public. The Plan also may disclose PHI if it is necessary for law enforcement authorities to identify or apprehend an individual.

Military activity and national security, protective services:

Under certain conditions, the Plan may disclose PHI if Participants are, or were, armed forces personnel for activities deemed necessary by appropriate military command authorities. If Participants are members of foreign military service, the Plan may disclose, in certain circumstances, PHI to the foreign military authority. The Plan also may disclose PHI to authorized federal officials for conducting national security and intelligence activities, and for the protection of the President, other authorized persons or heads of state.

Inmates: If a Participant is an inmate of a correctional institution, the Plan may disclose PHI to the correctional institution or to a law enforcement official for the:

- ▲ Institution to provide health care to the Participant;
- ▲ Participant's health and safety and the health and safety of others; or
- ▲ Safety and security of the correctional institution.

Workers' compensation: The Plan may disclose PHI to comply with workers' compensation laws and other similar programs that provide benefits for work-related illnesses or injuries.

Others involved in health care: Using its best judgment, the Plan may make PHI known to a family member, other relative, close personal friend or other authorized representative that the Participant identifies. Such use will be based on how involved the person is in the Participant's care or in the payment that relates to that care. The Plan may release information to parents or guardians, if allowed by law.

Disaster relief: The Plan may disclose PHI to an entity assisting in a disaster relief effort so that a Participant's family can be notified about his/her condition, status, and location.

If a Participant is not present or able to agree to these disclosures of PHI, then, using its professional judgment, the Plan may determine whether the disclosure is in the Participant's best interest.

Required Disclosures of PHI

The following is a description of disclosures that the Plan is required by law to make.

Disclosures to the Secretary of the U.S. Department of Health and Human Services: The Plan is required to disclose PHI to the Secretary of the U.S. Department of Health and Human Services when the Secretary is investigating or determining the Plan's compliance with the HIPAA Privacy Rule.

Disclosures to Participants: The Plan is required to disclose to a Participant most of the PHI in a designated record set when that Participant requests access to this information. Generally, a designated record set contains medical and billing records, as well as other records that are used to make decisions about a Participant's health care benefits. The Plan also is required to provide, upon the Participant's request, an accounting of most disclosures of his/her PHI that are for reasons other than treatment, payment, and health care operations and are not disclosed through a signed authorization.

The Plan will disclose a Participant's PHI to an individual who has been designated by that Participant as his/her authorized representative and who has qualified for such designation in accordance with relevant state law. However, before the Plan will disclose PHI to such a person, the Participant must submit a written notice of his/her designation, along with the documentation that supports his/her qualification (such as a power of attorney).

Even if the Participant designates an authorized representative, the HIPAA Privacy Rule permits the Plan to elect not to treat that individual as the

Participant's authorized representative if a reasonable belief exists that:

- ▲ The Participant has been, or may be, subjected to domestic violence, abuse or neglect by such person;
- ▲ Treating such person as his/her authorized representative could endanger the Participant; or
- ▲ The Plan determines, in the exercise of its professional judgment, that it is not in its best interest to treat that individual as the Participant's authorized representative.

Other Uses and Disclosures of PHI

Other uses and disclosures of PHI that are not described previously will be made only with a Participant's written authorization. If the Participant provides the Plan with such an authorization, he/she may revoke the authorization in writing, and this revocation will be effective for future uses and disclosures of PHI. However, the revocation will not be effective for information that has already been used or disclosed, relying on the authorization.

A Participant's Rights

The following is a description of a Participant's rights with respect to PHI:

- ▲ **Right to request a restriction:** A Participant has the right to request a restriction on the PHI the Plan uses or discloses about him/her for treatment, payment, or health care operations. The Plan is not required to agree to any restriction that a Participant may request. If the Plan does agree to the restriction, it will comply with the restriction unless the information is needed to provide Emergency treatment.

A Participant may request a restriction by contacting the Fund Office. It is important that the Participant direct his/her request for restriction to this individual or office so that the Plan can begin to process the request. Requests sent to individuals or offices other than the one indicated might delay processing the request.

The Plan will want to receive this information in writing and will instruct the Participant where to send the request when the Participant's call is received. In this request, it is important that the Participant states:

- The information whose disclosure he/she wants to limit; and
- How he/she wants to limit the Plan's use and/or disclosure of the information.

▲ **Right to request confidential communications:**

If a Participant believes that a disclosure of all or part of his/her PHI may endanger him/her, that Participant may request that the Plan communicates with him/her regarding PHI in an alternative manner or at an alternative location. For example, the Participant may ask that the Plan only contact the Participant at a work address or via the Participant's work e-mail.

The Participant may request a restriction by contacting the individual or office referenced in the beginning of this Notice. It is important that the request for confidential communications is addressed to this individual or office so that the Plan can begin to process the request. Requests sent to individuals or offices other than the one indicated might delay processing the request.

The Plan will want to receive this information in writing and will instruct the Participant where to send a written request upon receiving a call. This written request should inform the Plan that:

- He/she wants the Plan to communicate his/her PHI in an alternative manner or at an alternative location; and
- Disclosure of all or part of this PHI in a manner inconsistent with these instructions would put the Participant in danger.

The Plan will accommodate a request for confidential communications that is reasonable and that states that the disclosure of all or part of a Participant's PHI could endanger that Participant. As permitted by the HIPAA Privacy Rule, reasonableness will (and is permitted to) include, when appropriate, making alternate arrangements regarding payment.

Accordingly, as a condition of granting a Participant's request, he/she will be required to provide the Plan information concerning how payment will be handled. For example, if the Participant submits a claim for payment, state or federal law (or the Plan's own contractual obligations) may require that the Plan disclose certain financial claim information to the Plan Participant under whose coverage a Participant may receive benefits (e.g., an Explanation of Benefits or EOB). Unless the Participant has made other payment arrangements, the EOB (in which a Participant's PHI might be included) will be released to the Plan Participant.

Once the Plan receives all the information for such a request (along with the instructions for handling future communications), the request will be processed usually within two business days or as soon as reasonably possible.

Before receiving the information necessary for this request, or during the time it takes to process it, PHI may be disclosed (such as through an EOB). Therefore, it is extremely important that the Participant contact the Plan at the number listed in this Notice as soon as the Participant determines the need to restrict disclosures of his/her PHI.

If the Participant terminates his/her request for confidential communications, the restriction will be removed for all of the Participant's PHI that the Plan holds, including PHI that was previously protected. Therefore, a Participant should not terminate a request for confidential communications if that person remains concerned that disclosure of PHI will endanger him/her.

▲ **Right to inspect and copy:** A Participant has the right to inspect and copy PHI that is contained in a designated record set. Generally, a designated record set contains medical and billing records, as well as other records that are used to make decisions about a Participant's health care benefits. Documents in a designated record set may be in paper and electronic formats. However, the Participant may not inspect or copy psychotherapy notes or certain other information that may be contained in a designated record set.

To inspect and copy PHI that is contained in a designated record set, the Participant must submit a request by contacting the individual or office referenced in the beginning of this Notice. It is important that the Participant contact this individual or office to request an inspection and copying so that the Plan can begin to process the request. Requests sent to individuals or offices other than the one indicated might delay the processing of the request. If the Participant requests a copy of the information, the Plan may charge a fee for the costs of copying, mailing, or other supplies associated with that request.

The Plan may deny a Participant's request to inspect and copy PHI in certain limited circumstances. If a Participant is denied access to information, he/she may request that the denial be reviewed. To request a review, the Participant must contact the individual or office referenced in the beginning of this Notice. A licensed health care professional chosen by the Plan will review the Participant's request and the denial. The person performing this review will not be the same one who denied the Participant's initial request. Under certain conditions, the Plan's denial will not be reviewable. If this event occurs, the Plan will inform the Participant through the denial that the decision is not reviewable.

▲ **Right to amend:** If a Participant believes that his/her PHI is incorrect or incomplete, he/she may request that the Plan amend that information. The Participant may request that the Plan amend such information by contacting the individual or office referenced in the beginning of this Notice. Additionally, this request should include the reason the amendment is necessary. It is important that the Participant direct this request for amendment to this individual or office so that the Plan can begin to process the request. Requests sent to individuals or offices other than the one indicated might delay processing the request.

In certain cases, the Plan may deny the Participant's request for an amendment. For example, the Plan may deny the request if the information the Participant wants to amend is not maintained by the Plan, but by another entity. If the Plan denies the request, the Participant has the right to file a statement of disagreement with the Plan. This statement of disagreement will be linked with the disputed information and all future disclosures of the disputed information will include this statement.

▲ **Right of an accounting:** The Participant has a right to an accounting of certain disclosures of PHI that are for reasons other than treatment, payment, or health care operations. No accounting of disclosures is required for disclosures made pursuant to a signed authorization by the Participant or his/her authorized representative. The Participant should know that most disclosures of PHI will be for purposes of payment or health care operations, and, therefore, will not be subject to this right. There also are other exceptions to this right.

An accounting will include the date(s) of the disclosure, to whom the Plan made the disclosure, a brief description of the information disclosed, and the purpose for the disclosure.

A Participant may request an accounting by submitting a request in writing to the individual or office referenced in the beginning of this Notice. It is important that the Participant direct the request for an accounting to this individual or office so that the Plan can begin to process the request. Requests sent to individuals or offices other than the one indicated might delay processing the request.

A Participant's request may be for disclosures made up to six years before the date of the request. The first list requested within a 12-month period will be free. For additional lists, the Plan may charge for the costs of providing the list. The Plan will notify the Participant of the cost involved and he/she may choose to withdraw or modify the request before any costs are incurred.

▲ **Right to a paper copy of this notice:** The Participant has the right to a paper copy of this Notice, even if he/she has agreed to accept this Notice electronically.

Complaints

A Participant may complain to the Plan if he/she believes that the Plan has violated these privacy rights. The Participant may file a complaint with the Plan by contacting the individual or office referenced in the beginning of this Notice. A copy of a complaint form is available from this contact office.

A Participant also may file a complaint with the Secretary of the U.S. Department of Health and Human Services. Complaints filed directly with the Secretary must:

- ▲ Be in writing;
- ▲ Contain the name of the entity against which the complaint is lodged;
- ▲ Describe the relevant problems; and
- ▲ Be filed within 180 days of the time the Participant became or should have become aware of the problem.

Plan Information

PLAN NAME

Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan

PLAN NUMBER

502

PLAN IDENTIFICATION NUMBER

36-2261990

CALENDAR YEAR OR BENEFIT PLAN YEAR

January 1 through December 31. The Benefit Plan Year or Calendar Year is the period by which benefit limits, deductibles, out-of-pocket maximums are calculated.

PLAN YEAR OR FISCAL YEAR

November 1 through October 31. The Plan Year or Fiscal Year is the period used by the Plan for financial reporting and disclosure requirements for all Plan benefits, including the Health Reimbursement Arrangement (HRA).

PLAN TYPE

The Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan is a group health plan maintained for the purpose of providing health care and death benefits for Participants who meet the eligibility requirements, as described in this book.

The Plan does not replace and is not affected by any requirement for coverage under workers' compensation, employer liability, occupational disease, or similar law. Benefits that would otherwise be payable under the provisions of such laws are not paid by the Plan.

ELIGIBILITY REQUIREMENTS

The Plan's requirements for eligibility for benefits are shown in this book. Circumstances that may cause you to lose eligibility are also explained. Your coverage under this Plan does not constitute a guarantee of your continued coverage and you are not vested in the benefits described in this book. All Plan benefits are made available to you and your Dependents by the Plan as a privilege and not as a right.

LEGAL DOCUMENT

This book serves as the Summary Plan Description and the official legal Plan Document governing the Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan. All of your rights and benefits are governed by this official document, as it may be amended. If you misplace this book, you may examine a copy of it at the Fund Office, or obtain a copy for yourself from the Fund Administrator.

PLAN SPONSOR

The Plan is sponsored by the Board of Trustees of the Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan, consisting of Union and Employer representatives. If you wish to contact the Board of Trustees, you may use the following address and telephone:

Local Union No. 9, IBEW and Outside Contractors
Retired Employees Health and Welfare Plan
18670 Graphics Drive, Suite 201
Tinley Park, IL 60477
708-449-9004

The Trustees of this Plan are listed on the **Important Contact Information** insert to this book.

FUND ADMINISTRATOR

The Board of Trustees has named a Fund Administrator, whose responsibility it is to see that your questions are answered, that eligibility and Contribution records are maintained, that benefits are properly figured and paid promptly, and that the Plan is operated in accordance with the legal documents governing it. You may contact the Fund Administrator at the address shown for the Fund Office in this book. The Fund Administrator is listed on the **Important Contact Information** insert to this book.

The Board of Trustees has also delegated administrative responsibilities to specified administrators and insurance companies, as described on the **Important Contact Information** insert to this book.

AGENT FOR SERVICE OF LEGAL PROCESS

The Fund Administrator is the Plan's agent for service of legal process concerning the Plan. Accordingly, if legal disputes involving the Plan arise, any legal documents should be served upon the Fund Administrator at the address of the Fund Office. However, such documents may also be served upon any individual Trustee at the address of the Fund Office.

PLAN FUNDING

Contributing Employers pay for the cost of the Plan by making Contributions to the Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan. Contributions are based on Covered Employment as described in the Collective Bargaining Agreement between Employers and your Union, or are determined in accordance with a Participation Agreement between your Employer and the Plan. A copy of the Collective Bargaining Agreement under which you are covered is available, upon written request, from the Local Union No. 9 office. In addition, Participants may obtain, upon written request to the Fund Office, information as to the name and address of a particular employer and whether an employer is required to pay Contributions to the Plan.

PLAN INTERPRETATION

The Board of Trustees, as the Plan Sponsor, has the authority to determine eligibility for benefits, to construe and interpret disputed or doubtful terms of, and to apply the provisions of, this Summary Plan Description/Plan Document, the Trust Agreement, and any and all other policies or procedures in its sole discretion. The Board of Trustees' decisions, interpretations, and conclusions will be final and binding. Although the Board of Trustees has retained an individual to act as the Fund Administrator and, although it has delegated to the Fund Administrator the authority to determine eligibility for benefits, to construe and interpret disputed or doubtful terms of, and to apply the provisions of, this Summary Plan Description/Plan Document, the Trust Agreement, and any and all other policies or procedures in the Fund Administrator's discretion, the Board retains its authority as outlined herein and as outlined in the section entitled Claims and Appeals. Disputes between interpretations by the Fund Administrator and by the Board of Trustees will be resolved in favor of the Board of Trustees. Benefits under this Plan will be paid only if the Board of Trustees decides in its discretion that the applicant is entitled to them.

This book serves as the Plan's Summary Plan Description (SPD) and is the legal Plan Document (PD) as provided in Section 102 of the Employee Retirement Income Security Act of 1974. This SPD/PD book and supplemental documents, such as insurance certificates, HIPAA Privacy Rules, and COBRA notices, serve as the Plan's controlling legal documents.

PLAN AMENDMENT AND TERMINATION

The Board of Trustees expects that the Plan will be permanent. However, the Trustees have the authority and broad discretion to increase, decrease, or change benefits, eligibility rules, or other provisions of the Plan as they determine to be in the best interests of Plan Participants and beneficiaries. Any such amendment, which will be communicated in writing, will not affect valid claims that originated before the date of the amendment.

This Plan may be discontinued or terminated under certain circumstances, as described in the documents that establish this Plan. In such event, all coverage for Participants will end immediately. Any such discontinuation will not affect valid claims that originate before the termination date of the Plan as long as the Plan's assets are more than the Plan's liabilities. Full benefits may not be paid if the Plan's liabilities are more than its assets and benefit payments will be limited to the assets available in the Trust Fund for such purposes. The Trustees will not be liable for the adequacy or inadequacy of such assets. If there are any excess assets remaining after the payment of all Plan liabilities, those excess assets will be used for purposes determined by the Trustees in accordance with the provisions of the documents governing this Plan.

BENEFITS ASSIGNMENT

This Plan is intended to pay benefits only for you and your Dependents. Payments generally are made directly to you, unless you assign benefits to the provider. Your benefits cannot be used as collateral for loans or assigned in any other way. You will be notified if such an order is received with respect to your benefits.

YOUR ERISA RIGHTS

As a Participant in this Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants are entitled to the following rights.

Receive Information About Your Plan and Benefits

You have the right to:

- ▲ Examine, without charge, at the Fund Administrator's office and at other specified locations, such as worksites and Union halls, all documents governing the Plan, including insurance contracts, Collective Bargaining Agreements and Participation Agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA).
- ▲ Obtain upon written request to the Fund Administrator, copies of documents governing the operation of the Plan, including insurance contracts, Collective Bargaining Agreements, Participation Agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description/Plan Document. The Fund Administrator may make a reasonable charge for the copies.
- ▲ Receive a summary of the Plan's annual financial report. The Fund Administrator is required by law to furnish each Participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for the Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called fiduciaries of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your Employer, your Union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have the right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. You must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim. If you are not satisfied with the reply, you feel you are unable to obtain a satisfactory answer, and if you want to take the matter further, you may wish to contact your lawyer or the Employee Benefits Security Administration of the U.S. Department of Labor to obtain further action.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan Documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Fund Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Fund Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in federal court. However, you may not begin any legal action, including proceedings before administrative agencies, until you have followed and exhausted the Plan's claims and appeals procedures.

If it should happen that the Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the courts may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Fund Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Fund Administrator, you should contact the EBSA at:

National Office:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210
866-444-3272

Nearest Regional Office:

Employee Benefits Security Administration
Chicago Regional Office
230 South Dearborn Street, Room 570
Chicago, IL 60604-1520
312-596-7010

For more information on your rights and responsibilities under ERISA or for a list of EBSA offices, contact the EBSA by visiting their Web site at www.dol.gov/ebsa.

Glossary of Terms

Association means the Middle States Electrical Contractors Association of the City of Chicago.

Calendar Year means the 12-month period starting on January 1 of any year and ending on December 31 of that year.

Coinsurance means that portion of covered expenses that a Participant is responsible to pay. In most instances, the responsibility is for paying a percentage of the total covered expenses that are in excess of the Deductible.

Collective Bargaining Agreement means a written agreement between the Union and the Association.

Contributing Employer or Employer means:

- ▲ Members of the Association;
- ▲ An Employer that has an agreement with the Union to make Contributions to the Plan;
- ▲ An Employer that does not have an agreement with the Union but that acknowledges the Union as the collective bargaining representative of Employees performing work of the type specified within the Collective Bargaining Agreement or Participation Agreement between the Union and the Association;
- ▲ Local No. 9, IBEW and Outside Contractors Active Health and Welfare Trust Fund; and
- ▲ The Union.

Contributions mean payments made or due to the Plan by Employers, pursuant to the terms of the Trust Agreement, a Collective Bargaining Agreement, or a Participation Agreement on behalf of their Employees for work performed by such Employees. Contributions also include the one-time contribution of up to \$60,000 to your joint HRA account (or the one-time contribution of up to \$30,000 if you do not have an eligible spouse) from the Plan.

Copayment or Copay means a separate fixed dollar amount that a Participant is responsible to pay when incurring certain types of covered expenses. The Copayment is usually in addition to any Deductible and/or Coinsurance amounts that a Participant is responsible to pay.

Cosmetic Surgery and/or Treatment means surgery or treatment that is intended to improve appearance or to preserve or restore a pleasing appearance and does not meaningfully promote the proper function of the body or prevent or treat Illness or disease (except when necessary to improve a deformity arising from, or directly related to, a congenital abnormality, personal Injury resulting from an accident or trauma, or disfiguring disease).

Reconstructive surgery covered under the Women's Health and Cancer Rights Act is not considered Cosmetic Surgery and/or Treatment and is covered under the Plan.

Covered Employment means work performed by an Employee for an Employer for which Contributions are required to be made to this Plan.

Deductible means the amount of covered expenses incurred in any Calendar Year that must be paid by a Participant before the Plan begins to pay benefits. The Deductible is usually in addition to any Copayment and/or Coinsurance amounts that a Participant is responsible to pay. However, some covered services are not subject to the Deductible, as noted in the *Schedule of Benefits*.

Dependent means:

- ▲ Your Spouse (as defined in this *Glossary of Terms*); and
- ▲ Your Dependent child, which includes your:
 - Dependent children under age 26 who are your natural children, adopted children, children placed with you for adoption, stepchildren, foster children or children for whom you or your eligible Spouse are the legal guardian; Alternate Payees for whom you or your covered Spouse are required to provide medical coverage under a Qualified Medical Child Support Order (QMCSO) under the terms of the court orders;
 - Unmarried Dependent children age 26 or older, provided they are not able to provide self-support because of a physical or mental disability that existed as of the date the Dependent attained age 26. To continue coverage for this child beyond age 25:

- The Dependent must continue to satisfy all other requirements of eligibility as explained in this definition of Dependent and must have the same principal residence as you for more than half the Calendar Year, except for temporary absences in a normal parent-child relationship, and receives more than 50% of his or her financial support from you. This individual can also be covered under the Plan as a Dependent without living with you if he or she receives more than 50% of his or her annual financial support from you and the Dependent child is not a Qualifying Child (as defined by the Internal Revenue Code section 152) of you or another taxpayer;
 - You or your eligible Spouse are the Dependent's legal guardian; and
 - You must furnish the satisfactory proof of such incapacity within 31 days after the Dependent reaches age 26. In addition, proof of the continued existence of incapacity and dependency must be provided once a year; proof may be required more often during the first two years. If such proof is not provided, coverage for the child will end.
- For a disabled Dependent child who has reached age 26, if you are divorced, legally separated, or live apart from the unmarried disabled child's other parent at all times during the last six months of the Calendar Year, your disabled child can meet the support and residency requirements of this definition if the child:
 - Receives over half of his or her financial support during the Calendar Year from the child's parents; and
 - Is in the custody of one or both parents for more than half the Calendar Year; and
 - Qualifies under IRS rules as a Qualifying Child or Qualifying Relative of one of the child's parents.

Coverage will end for a Dependent child at the end of the month in which the Dependent child turns age 26, with the exception of a child who was disabled prior to age 26 and is considered physically or mentally handicapped.

Qualified Medical Child Support Orders (QMCSO) (including a National Medical Support Notice) are court orders that require a Retired Employee to provide medical coverage for his or her children (called Alternate Payees) in situations involving divorce, legal separation, or a paternity dispute. Orders must be submitted to the Plan Administrator who will determine whether the order is a QMCSO as required under federal law. You or your beneficiary can receive a copy of the Plan's procedures for handling QMCSO's at no cost by contacting the Fund Office. The child covered by a QMCSO will be enrolled in the coverage option for which the employee is enrolled. This Plan provides benefits according to the requirements of a QMCSO. The Fund Office will notify affected Retired Employees and alternate recipients if a QMCSO is received. Contact the Plan Office for a free copy of the Plan's QMCSO procedures.

Employee or Eligible Employee means a common law employee whose Employer was obligated to contribute to the Local Union No. 9, IBEW and Outside Contractors Active Health and Welfare Plan on his or her behalf under the terms of a Collective Bargaining Agreement between the Union and the Contributing Employer, or under the terms of a Participation Agreement.

ERISA means the Employee Retirement Income Security Act of 1974, as amended from time to time. Reference to any section or subsection of ERISA includes reference to any comparable or succeeding provisions of any legislation that amends, supplements, or replaces such section or subsection.

Fund, Trust Fund, or Health and Welfare Fund means the Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Fund.

Fund Administrator, Administrator, or Plan Administrator means the person or company designated by the Board of Trustees pursuant to its authority under the terms of Trust Agreement; however, if a person or company is not designated, the Board of Trustees, as the Plan Sponsor will act as the Fund Administrator.

Handicap or Handicapped means the inability of a person to be self-sufficient as the result of a physical or mental condition, such as mental retardation, cerebral palsy, epilepsy, or another neurological disorder, psychosis, or is otherwise totally disabled, provided the condition was diagnosed by a Physician and accepted by the Trustees as a permanent and continuing condition.

Illness means non-occupational sickness, disease, mental infirmity, or pregnancy requiring treatment by a Physician.

Injury means a non-occupational bodily injury requiring treatment by a Physician.

Lifetime refers to the period while a person is covered under this Plan. It does not mean during the lifetime of the Participant.

Medical Emergency, Emergency Illness, or Emergency is a sudden, unexpected, and severe onset of a medical condition manifesting itself by acute symptoms that are severe enough that the lack of immediate medical attention could reasonably be expected to result in:

- ▲ Placing the Participant's health in serious jeopardy;
- ▲ Seriously impairing bodily function;
- ▲ Serious dysfunction of a bodily organ or part; or
- ▲ Serious and permanent medical consequences; or
- ▲ In the case of a mental health or substance abuse disorder, the patient harming himself or herself and/or other persons.

Medically Necessary or Medical Necessity means health care services, supplies, or treatment that, in the judgment of the attending Physician:

Is appropriate and consistent with the diagnosis; and

In accordance with generally accepted medical standards, could not have been omitted without adversely affecting the Participant's condition or the quality of medical care rendered.

Medicare means the Health Insurance for the Aged Program under Title XVIII of the Social Security Act as such Act was amended by the Social Security Amendments of 1965 (Public Law 89-97) and as such program is currently constituted and as it may be amended.

Non-Physician Medical Professional means a licensed professional who is legally qualified to practice within the medical field at the time and place service is rendered within the scope of his or her licenses.

Office Visit means a direct personal contact between a Physician or other health care practitioner and a Participant in the health care practitioner's office for diagnosis or treatment associated with the use of the appropriate Office Visit code in the Current Procedural Terminology (CPT) manual of the American Medical Association or the Current Dental Terminology (CDT) manual of the American Dental Association and with documentation that meets the requirement of such coding. Neither a telephone discussion with a Physician or other health care practitioner nor a visit to a health care practitioner's office solely for such services as blood drawing, leaving a specimen, or receiving a routine injection is considered an Office Visit for the purposes of this Plan.

Participant means a Retired Employee and Dependent eligible for coverage under this Plan.

Participation Agreement means a written agreement between an Employer and the Board of Trustees obligating the Employer to make Contributions to the Plan on behalf of the Employer's Employees whether or not subject to the terms of a Collective Bargaining Agreement.

Physician means a Doctor of Medicine (M.D.) or a Doctor of Osteopathy (D.O.) who is legally qualified and licensed without limitation to practice medicine at the time and place service is rendered. For services covered by this Plan and for no other purpose, a Doctor of Dental Surgery, Doctor of Dental Medicine, Doctor of Podiatry, and Doctor of Chiropractic licensed to perform surgery are deemed to be a Physician when practicing within the scope of his or her license. See also Non-Physician Medical Professional for other eligible professional providers (except as such providers may be specifically excluded elsewhere by this Plan).

Placement for Adoption or Placed for Adoption means the assumption and retention of a legal obligation for total or partial support in anticipation of adoption.

Plan means the Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan, which is the program of benefits described in this document, including any other written document designated by the Trustees as constituting a part of the Plan, established, and as it may be from time to time amended, by the Board of Trustees pursuant to the provisions of the Trust Agreement.

Retired Employee means a person who has retired from Covered Employment and who no longer qualifies for coverage under the Local Union No. 9 IBEW and Outside Contractors Active Employees Health and Welfare Plan and who meets the eligibility provisions required for participation in this Plan outlined on page 3.

Self-Payments means payments made to the Plan by Dependents under COBRA Continuation Coverage, for the purpose of maintaining eligibility for Plan benefits.

Spouse is your opposite-sex or same-sex spouse, provided:

- ▲ Your spouse was an eligible spouse who was covered under the Local Union No. 9, IBEW and Outside Contractors Active Employees Health and Welfare Plan at the time of your retirement; and
- ▲ You meet all the requirements of a valid marriage contract in the appropriate legal jurisdiction in which the marriage takes place.

You will be required to furnish proof of marriage containing the original seal of the legal jurisdiction in which the marriage took or takes place.

Domestic partners, divorced spouses, legally separated spouses, or any other persons having relationships of any similar kind with the Retired Employee are not Spouses under the Plan.

Trustee, Trustees, or Board of Trustees means a person or persons designated by the Trust Agreement or appointed by a person or entity granted the authority by the Trust Agreement.

Trust Agreement means the Agreement and Declaration of Trust that established the Local Union No. 9, IBEW and Outside Contractors Trust Fund including all amendments establishing the Trust Fund and its rules of operation.

Union means the Local Union No. 9, International Brotherhood of Electrical Workers, AFL-CIO and any successors.

**Local Union No. 9, IBEW and Outside Contractors
Retired Employees Health and Welfare Plan**

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