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**NOTICE OF MATERIAL MODIFICATIONS**

To the

**SHEET METAL WORKERS LOCAL 104**  
**HEALTH CARE PLAN**  
(As revised January 2021)

TO: All Participants and Beneficiaries of the Sheet Metal Workers Local 104 Health Care Plan (the "Plan") for District 1

FROM: The Board of Trustees

RE: IMPORTANT PLAN CHANGES:

- Health Reimbursement Account
- Diabetes Prevention Program
- Dental Benefits
- Special Enrollment for Dependents

DATE: October 2024

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This document is a Summary of Material Modifications ("Summary") intended to notify you of an important change made to the Sheet Metal Workers Local 104 Health Care Plan ("the Plan") since the Summary Plan Description ("SPD") was last distributed to you. This Plan amendment represents benefit improvements or other changes determined by the Board of Trustees to be in the best interest of Plan participants and beneficiaries.

You should take the time to read this Summary carefully and keep it with the copy of the SPD that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding this change to the Plan, please contact the Trust Fund Office by telephone during normal business hours at (925) 208-9994, by mail at Sheet Metal Workers Local 104 Health Care Plan, P.O. Box 1917 San Ramon, CA 94583, or by e-mail at [staff@sheet104fringe.org](mailto:staff@sheet104fringe.org). You may also download a copy of the SPD from the Plan's fringe benefit website: [www.sheet104fringe.org](http://www.sheet104fringe.org).

The Board of Trustees has made the following changes to the Plan:

**ADDED BENEFIT OF DIABETES PREVENTION PROGRAM**

The Plan offers a Diabetes Prevention Program (DPP) to covered individuals that meet the eligibility criteria at no cost to the individual. The DPP is designed to help people at risk for diabetes make realistic lifestyle changes by losing weight, becoming more physically active and managing stress. The programs offered within this DPP last for an initial 16-weeks, with a follow-up period of support of up to eight (8) months. You can find out if you qualify by taking a one-minute quiz at <http://wellvolution.com/dpp/>.

## **INCREASED DELTA DENTAL MAXIMUM CALENDAR YEAR BENEFIT**

Effective January 1, 2025, the Plan's maximum calendar year benefit for coverage for dental benefits through Delta Dental has been increased from \$3,500 to \$4,500 for an individual and from \$7,000 to \$9,000 for a family.

## **CHANGES TO THE POOLED AND HOURLY HEALTH REIMBURSEMENT ACCOUNT**

Beginning July 1, 2024, contributions to the Plan's Health Reimbursement Account are changing.

As a reminder, before July 1, 2024, there was a contribution made to a pooled account for each hour worked under collective bargaining agreements with Sheet Metal Workers Local 104. Through 2023, at the end of each calendar year, the Trustees would determine an amount to credit to all eligible participant accounts. This credit to your account was usually made in the first quarter of the next calendar year.

Starting for the 2024 calendar year, this process is changing. Beginning July 1, 2024, each active employee will receive an hourly contribution to their Health Reimbursement Account for each hour worked based on their classification and the amount noted on the wage and fringe schedule under the collective bargaining agreement. There will also be contributions to a pooled account that will be distributed annually to eligible retirees and disabled participants. Below is a summary of how this will work for 2024, and then how it will work going forward.

### **2024 Calendar Year (Credit Made in Early 2025)**

- **Actives**: You will receive a credit from the pooled account if contributions were made on your behalf for at least 435 hours by June 30, 2024. This credit will be 50% of the credit made to eligible retirees for the entire 2024 calendar year. For July 1, 2024, through December 31, 2024, you will receive an hourly contribution for each hour worked under a collective bargaining agreement with Sheet Metal Workers Local 104, based on the wage and fringe schedule and your classification.
- **Retirees**: If you are retired as of December 1, 2024, and participate in the Retiree Plan, you will receive a credit from the pooled account.
- **Disabled Participants**: If you received at least six (6) months of coverage in 2024 because of your disability, you will receive a credit from the pooled account.
- **Non-Bargaining Unit Employees**: You will not receive a credit from the pooled account.

### **2025 and Future Calendar Years**

- **Actives**: You will not receive an annual credit from the pooled account. Deposits to your Health Reimbursement Account will be made monthly based on your employer reported work hours and contributions.
- **Retirees**: If you are retired as of December 1<sup>st</sup> of that calendar year, and participate in the Retiree Plan, you will receive a credit from the pooled account.
- **Disabled Participants**: If you received at least six (6) months of coverage in that calendar year because of your disability, you will receive a credit from the pooled account.
- **Non-Bargaining Unit Employees**: You will not receive a credit from the pooled account.

## **CHANGES TO VOLUNTARY TERMINATION OF COVERAGE FOR YOUR DEPENDENTS**

The Plan provides coverage for a Participant's Eligible Dependents, as defined under the terms of the Plan. Effective September 10, 2024, an Eligible Dependent may be voluntarily terminated from the Plan under certain circumstances. Under the expanded rules, an Eligible Dependent may be terminated by written request if the Dependent has other coverage and provides proof of that coverage. The termination will be effective the first day of the month following receipt of the written request for termination. A Dependent's coverage that is terminated under these provisions may be later re-enrolled on the Plan coverage if they continue to be an Eligible Dependent, and at least twelve (12) months have passed since the termination, or the Dependent qualifies for Special Enrollment. The Plan will also reenroll an Eligible Dependent child if required under a Qualified Medical Child Support Order.

## **CHANGES TO SPECIAL ENROLLMENT FOR DEPENDENTS**

Effective September 10, 2024, your Eligible Dependent may be enrolled into this Plan if they terminated coverage under this Plan because of other health insurance coverage, and they lost eligibility for that other coverage. You must request enrollment in this Plan within 30 days after your Eligible Dependent's other coverage ends. Coverage under this Plan will begin the first (1<sup>st</sup>) of the calendar month after the Plan receives the special enrollment request. Enrollment forms and proper documentation is required to enroll an Eligible Dependent.

If you have any questions about your benefits, you may contact the Trust Fund Office at the numbers listed below.