

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

Amendment 17

Pursuant to the authority set forth in Article VII of the Agreement and Declaration of Trust, the Trustees hereby amend the Sheet Metal Workers Local 104 Health Care Plan as follows:

1. Effective October 1, 2023, Number 6 of the “Eligible Dependents” section is revised as follow:
  
6. Your registered domestic partner. The following rules and regulations regarding domestic partner coverage apply:
  - (a) A registered domestic partner means an adult with whom you have established domestic partnership in California by filing a Declaration of Domestic Partnership with the appropriate State, City, or County agency.
  - (b) The registered domestic partner is entitled to the same benefits that spouses receive.
  - (c) A domestic partner’s children are eligible for health coverage under the same conditions as the children of employees of their spouses.
  - (d) **The cost of coverage for your domestic partner (and each of his or her dependents) is taxable income to you.** The Trust Fund Office will report the Fair Market Value of your coverage to the I.R.S. each year as taxable income to you. If you believe your domestic partner meets the definition of dependent under the Internal Revenue Code, you may seek a refund from the I.R.S. You are required to remit the additional federal and state income tax, as well as other required payroll taxes, to the Trust Fund Office.
  - (e) **Failure to make the necessary payment for Domestic Partner coverage on time will result in termination of the domestic partner coverage.** In the event the domestic partner’s coverage is terminated due to failure to make the necessary payments, the domestic partner may be reenrolled in the Plan during open enrollment. Please see page 28 for more information regarding Open Enrollment.
  - (f) If the domestic partnership should end, the employee must sign and file with the Trust Fund Office a ‘Dissolution of Domestic Partnership’ Form declaring that the domestic partnership has ended and the effective date of the dissolution.
  - (g) Upon dissolution of the domestic partnership, former partner and any insured dependents will be eligible for COBRA continuation coverage.

2. Effective October 1, 2023, “If You Die” under “Continuing Plan Coverage” is revised to read as follows:

### If You Die

If you die **while you are employed**, coverage for your eligible surviving spouse, domestic partner, and children will continue for as long as you have enough hours in your Reserve Hour Bank. If you die **while you are retired**, coverage for your eligible surviving spouse, domestic partner, and children will continue for as long as the appropriate self-payments are made. Children include adopted children, even if the adoption has not yet been finalized.

#### **After Your Reserve Hour Bank Is Insufficient**

When there are no longer sufficient hours in your Reserve Hour Bank, your surviving spouse, domestic partner, and/or your eligible dependents may elect to continue coverage.

Your eligible dependents must enroll during the month in which the first payment for Plan coverage is due. Your newborn children may become covered if an Enrollment Form is submitted within 90 days of birth. These are the only times when surviving children may be added to the Plan.

If your surviving spouse or domestic partner marries or enters a domestic partnership, neither he/she nor his/her new spouse or partner will be covered under the Plan. Newborn children, stepchildren from the new marriage, or children of the new domestic partner will not be covered.

#### **Applying for Survivor Coverage**

A notice will be sent from the Trust Fund Office to your surviving spouse, domestic partner, or other eligible dependent(s) explaining his or her rights to Plan coverage. Your surviving spouse, domestic partner, or other eligible dependent(s) must elect to continue coverage (and make the first payment) by the end of the month following the month he or she receives the notice. For example, if your surviving spouse receives the notice on March 15, he or she must submit an election form and payment to the Trust Fund Office by April 30. Coverage may be made retroactive to the date of your death.

If your surviving spouse, domestic partner, or other eligible dependent stops making the monthly payments, survivor coverage will end and cannot be reinstated.

All surviving spouses, domestic partners, or other eligible dependent(s) of active or retired participants, if they elect survivor coverage, will be covered under the Retiree Health Plan.

3. Effective October 1, 2023, the “Death and Accidental Death and Dismemberment Benefits” section is revised to read as follows:

## **Death and Accidental Death and Dismemberment Benefits**

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Death and Accidental Death and Dismemberment (AD&D) benefits are available to you and your covered dependents, except if you are receiving coverage under COBRA. Residential Utility Workers and Maintenance Service Technicians are not eligible for this benefit.

If you are covered by the Plan when you die, the Plan pays death benefits to your beneficiary—the person you named to receive the benefit. The death benefit will also be provided for members on a disability freeze or who are receiving benefits from the Supplemental Health Care Plan when they die.

Application for death benefits must be received by the Trust Fund Office within 12 months of the loss for any benefit to be payable. In a situation where there are multiple beneficiaries, if one beneficiary does not file timely with the Trust Fund Office (within a 12-month period), no benefits are payable to that beneficiary. The appropriate share will be paid to the beneficiaries that have filed the application in a timely manner. A certified copy of the death certificate must be attached with a completed claim form. If you become divorced, then your former spouse is not entitled to any payment of AD&D benefits and any designation of your former spouse as a beneficiary will automatically be revoked as of the effective date listed on the final dissolution decree. If your domestic partnership terminates, then your former domestic partner is not entitled to any payment of AD&D benefits and any designation of your former domestic partner as a beneficiary will automatically be revoked as of the effective date listed on your dissolution of domestic partnership.

The amount of your coverage depends on factors such as your employment status and your age. **Your beneficiary may be entitled to an additional benefit if you die as the direct result of an accident.** The accidental death benefit does not cover any loss resulting from disease or medical or dental diagnosis or treatment. Refer to the chart below for benefits that apply to you.

<b>Participant’s Status</b>	<b>Death Benefit</b>	<b>Accidental Death Benefit</b>
Employee under age 65	\$50,000	\$10,000
Employee over age 65	\$10,000	\$10,000
Unemployed employee	\$50,000	\$10,000
Disabled employee	\$50,000	not applicable
Retired employee under age 65	\$10,000	\$10,000
Retired employee age 65 or over	\$4,000	not applicable
Disabled retiree	\$4,000	not applicable

If your surviving spouse or domestic partner was covered by the Plan on the date he or she dies, death benefits are available for his or her beneficiary, as shown below:

**After the Participant dies, if the surviving spouse or domestic partner dies, death benefits are as follows:**

<b>Surviving Spouse's or Domestic Partner's Status</b>	<b>Death Benefit</b>	<b>Accidental Death Benefit</b>
Surviving spouse or partner <b>under</b> age 65	\$2,000	\$2,000
Surviving spouse or partner <b>over</b> age 65	\$1,000	not applicable

#### DEPENDENT DEATH BENEFITS

The Plan also provides a death benefit to you if your covered spouse, domestic partner, or child dies, or to your surviving spouse or surviving domestic partner if his or her covered child dies, except if you are receiving coverage under COBRA. The amount of the benefit depends on factors such as your employment status and your dependent's age. Refer to the chart below for the benefit that applies to you.

If you are covered under the Plan as an active employee, a death benefit will be paid to you as a result of a covered dependent's death as follows:

<b>Dependent's Status</b>	<b>Death Benefit</b>	<b>Accidental Death Benefit</b>
▪ dependent 6 months or older	\$8,000	\$4,000
▪ dependent under 6 months	\$2,000	\$2,000

If you are covered under the Plan as an employee, an unemployed employee, a disabled employee, a retiree, a surviving spouse, or a surviving domestic partner, a death benefit will be paid to you as a result of a covered dependent's death as follows:

<b>Dependent's Status</b>	<b>Death Benefit</b>	<b>Accidental Death Benefit</b>
▪ dependent 6 months or older	\$4,000	\$4,000
▪ dependent under 6 months	\$2,000	\$2,000

If both parents are Plan Participants, each dependent child will be considered a dependent of both for payment of any death benefit and accidental death benefit, if applicable.

#### EXCLUSIONS

No death benefits will be paid if you or your covered dependent:

- Dies while committing or attempting to commit a felony or other illegal activity, or
- Dies as a result of war, whether declared or undeclared, or insurrection.
- If you and/or your eligible dependents are receiving coverage under CORBA.

**In addition, the Plan does not pay benefits if your dependent child is stillborn.**

**PAYMENT OF YOUR DEATH BENEFIT AND/OR ACCIDENTAL DEATH BENEFIT**

The beneficiary you designate on a written form filed with the Board of Trustees receives your death benefit. You may name any person of your choice, or your own estate, to receive the death benefit. However, if you are married when you die and your spouse has not consented, in writing, to the beneficiary designated on the form you have filed, then one half of your Death Benefit will be paid to your surviving spouse and the form you filed will apply only to the other half.

If you have not filed a written designation of beneficiary, or if a person designated dies before you do and you have not named someone else to receive that person's share, then the death benefit will be paid to the first of the following classes of relatives in which a member survives you:

1. Your spouse or domestic partner;
2. Your children, including legally adopted children, stepchildren, and any child for whom you have been appointed guardian by a court;
3. The beneficiary you have designated under the Sheet Metal Workers Pension Plan of Northern California;
4. Your parents;
5. Your brothers and sisters; and
6. Your estate.

**PAYMENT OF YOUR COVERED DEPENDENTS' DEATH BENEFITS**

You will receive the death benefit if you are living; otherwise the death benefit will be paid to the first surviving class of the following classes of relatives:

1. In the case of a dependent spouse or domestic partner, the spouse's or partner's (a) children, (b) brothers and sisters, or (c) executors or administrators.
2. In the case of the death of a dependent child, the child's (a) parent, (b) brothers and sisters, or (c) executors or administrators.

**DISMEMBERMENT BENEFITS**

You and your covered dependents are eligible for dismemberment benefits only in the event of loss of sight or limb resulting from a non-employment related accident that occurs while covered by the Plan.

The benefit for you and your covered dependents is \$4,000 per incident, payable for the loss of one or more hands, feet or sight of an eye resulting from an accident, per incident.

Loss of a hand means the severance of the hand at or above the wrist-joint. Loss of a foot means the severance of the foot at or above the ankle-joint. The loss of an eye means the total and irrevocable loss of eye sight.

## TAXABILITY OF DEATH BENEFITS

The death benefit issued from the Sheet Metal Workers Local 104 Health Care Plan is a self-insured taxable benefit paid directly from the assets of the Plan. This benefit is not life insurance. The Small Business Jobs Protection Act of 1996 repealed the IRS code section that allowed beneficiaries to exclude up to \$5,000 of uninsured, employer-funded death benefits from their taxable income. The change in law applied to benefits payable with respect to people who died after August 19, 1996.

Instructions to Form 1099 clearly indicate that the Form 1099-R is used to report death benefit payments paid by a qualified or nonqualified plan to an estate, or to another person, who has acquired the right to receive the payments solely because of the employee’s death.

- 4. Effective October 1, 2023, “Eligible Dependents” under “Retiree Health Plan” is revised to read as follows:

## ELIGIBLE DEPENDENTS

Please refer to page 9 for a definition of eligible dependents. You must enroll your eligible dependents within 90 days of the date you acquire a new dependent, such as through marriage, birth or adoption.

You may remove your dependent child who is under the age of 19 at the end of the calendar year from the Plan if your dependent child is enrolled in a different group health plan or an individual medical policy. You must make your request to remove the dependent child in writing and provide proof of the other medical coverage during Open Enrollment or your enrollment into the Retiree Plan. You may re-enroll the dependent child who is under the age of 19 at the end of the calendar year at Open Enrollment or within 90 days of when the dependent child who is under the age of 19 at the end of the calendar year loses such other health care coverage so long as the child remains an eligible dependent and complete any enrollments forms or any other documents that may be required by the Fund Office. See “Special Enrollment for Dependents” for more information.

This Amendment 17 was adopted by the Board of Trustees on December 12, 2023. The Chairman and Co-Chairman were authorized by the Board of Trustees to execute this Amendment on their behalf. This Amendment 17 may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Amendment 17.

Rick Werner  
Chairman

Date: 12/13/2023 | 7:46 PM EST

Sean O'Donoghue  
Co-Chairman

Date: 12/17/2023 | 4:59 PM PST