

**SHEET METAL WORKERS'
LOCAL UNION NO. 80
INSURANCE FUND**

**ANNUAL NOTICES
2021**



MEDICARE ELIGIBLE RETIREES



SHEET METAL WORKERS' LOCAL UNION NO. 80

FRINGE BENEFIT FUNDS

P.O. Box 1408 / Troy, MI 48099-1408 / (248) 641-4980 (800) 400-7710

May 12, 2021

TO: Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund
Medicare-Eligible Retirees

RE: ANNUAL NOTICES

We have attached the following Important Notices and Annual Reports for your review. These Notices and Reports are required to be mailed to each Plan Participant annually as required by the Employee Retirement Income Security Act of 1974 (ERISA):

• Summary Annual Report	Page 1-2
• Summary of Material Modifications	Page 3-5
• Notice of Privacy Practices	Page 6
• Notice on Women's Health and Cancer Rights / Newborns' and Mothers' Health Protection	Page 6
• Medicare Part D – Notice of Creditable Coverage	Pages 7-8
• Social Security Number Privacy Policy	Pages 9-10

If you have any questions, please contact the Fund Office.

Sincerely,

Board of Trustees
Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund

SUMMARY ANNUAL REPORT

This is a summary of the annual report for the Sheet Metal Workers Local Union No. 80 Insurance Trust Fund, Employer Identification Number 23-7165969, Plan Number 502, for the Plan Year June 1, 2019 through May 31, 2020. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Board of Trustees of Sheet Metal Workers Local Union 80 Insurance Trust Fund has committed itself to pay certain medical, prescription drug, dental, short-term disability, vision, and death benefit claims incurred under the terms of the plan.

INSURANCE INFORMATION

The plan has insurance contracts with HCC Life Insurance Company, Blue Care Network of Michigan, and Humana Insurance Company to pay certain stop loss, health and prescription drug claims incurred under the terms of the plan. The total premiums paid for the Plan Year ending May 31, 2020 were \$488,578, \$2,366,734, and \$3,341,660, respectively.

Because they are so-called "experienced-rated" contracts, the premium costs are affected by, among other things, the number and size of the claims. Of the total insurance premiums paid for the plan year ending May 31, 2020, the premiums paid under such "experienced-rated" contracts were \$2,366,734 and the total of all benefit claims paid under these "experience-rated" contracts during the plan year was \$1,219,394.

BASIC FINANCIAL STATEMENT

The value of plan assets, after subtracting liabilities of the plan was \$15,919,641 as of May 31, 2020, compared to \$15,881,277 as of June 1, 2019. During the Plan Year the Plan experienced an increase in its net assets of \$38,364. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the Plan Year, the plan had total income of \$20,347,806, including employer contributions of \$16,774,304, employee contributions of \$1,802,835, realized gains of \$88,673 from the sale of assets, earnings from investments of \$1,705,995 and other income of \$5,999.

Plan expenses were \$20,309,442. These expenses included \$1,370,214 in administrative expenses and \$18,939,228 in benefits paid to participants and beneficiaries. A total of 1,983 persons were participants in or beneficiaries of the Plan at the end of the Plan Year.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment;
4. Transactions in excess of 5% of plan assets; and
5. Insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the office of the Sheet Metal Workers Local Union No. 80 Insurance Trust Fund, 700 Tower Drive, Troy, MI 48098, or at (248) 641-4980. The charge to cover copying costs will be \$5.00 for the full annual report or twenty-five cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (Sheet Metal Workers Local Union No. 80 Insurance Trust Fund, 700 Tower Drive, Troy, MI 48098) and at the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to the U.S. Department of Labor, Employee Benefits Security Administration, Public Disclosure Room, 200 Constitution Avenue, N.W., Room N-1513, Washington, DC 20210.

Paperwork Reduction Act Statement

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average less than one minute per notice (approximately 3 hours and 11 minutes per plan). Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Office of the Chief Information Officer, Attention: Departmental Clearance Officer, 200 Constitution Avenue, N.W., Room N-1301, Washington, DC 20210 or email DOL_PRA_PUBLIC@dol.gov and reference the OMB Control Number 1210-0040.

OMB Control Number 1210-0040 (expires 06/30/2022)

SUMMARY OF MATERIAL MODIFICATIONS
Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund
Medicare-Eligible Retirees

A Summary Plan Description was distributed all participants in 2014. If you did not receive your copy, contact the Fund Office. Since that Summary Plan Description was printed, the Plan has been materially amended as described below:

Effective January 1, 2014, the Plan's eligibility for retiree benefits was amended to provide that an individual who has accrued 25 or more Years of Credited Service with the Pension Fund must have at least 1,250 hours of work and contributions in the six consecutive years immediately preceding the effective date of his retirement or disability from the Pension Fund and at least some hours of work and contributions in three of the six consecutive years immediately prior to the effective date of his retirement or disability from the Pension Fund.

Effective March 1, 2014, the Plan was amended to provide that until an Indentured Apprentice Employee meets the Plan's initial eligibility provisions, he shall be eligible for benefits as of the first day of the month following the month in which he is credited with one or more hours of work for which the Fund has received employer contributions based on work performed for a participating Employer, and such eligibility shall continue until the last day of such month.

Effective May 1, 2014, for medications covered under the specialty drug step therapy requirements, the Plan was amended to exclude drugs considered "step 2" therapy prior to meeting the requirements for coverage.

Effective June 1, 2014, the Plan's "coordination of benefits" rule was amended to provide that if the other health plan, policy, contract or program ("plan") has adopted a coordination of benefits provision and where the claim is for an eligible dependent child, the following order of priority shall be followed in determining which plan shall pay first:

- (a) for children of parents not separated or children of legally separated, divorced or never married parents with joint physical custody:
 - (1) the one covering the parent who has the earlier birth date anniversary in the calendar year,
 - (2) if both parents have the same birth date, the one which covered the child for the longer period of time;
- (b) for children of legally separated, divorced or never married parents without joint physical custody:
 - (1) the one covering the parent with physical custody of the child,
 - (2) then the one of the spouse of the parent with physical custody of the child,
 - (3) then the one of the parent or spouse of the parent without physical custody of the child.

However, if a court decree, such as a judgment of divorce, states that **one** parent is financially responsible for the health care expenses of the child, and the plan has been advised of that legal responsibility, then that plan is primary for the child and the plan of the other parent would be secondary. If a court decree states that **both** parents are responsible for providing health coverage, then the two plans would be of the same priority level and the rules of subparagraph (a), above, would apply.

Effective August 1, 2014, the Plan was amended to increase the annual maximum for reasonable and customary charge for dental work to \$750 per eligible person (previously \$500). Furthermore, dental benefits are now provided through an agreement with Delta Dental PPOSM (Point-of-Service). You have previously received a notice of the coverage change and new Health Benefit ID Cards.

Effective January 1, 2015, the Plan was amended to provide that the medical, hospital, prescription drug and surgical benefits provided by the Fund to you and your dependents shall be set forth in the schedules of benefits in the Fund's agreement with Humana Insurance Company's preferred provider organization.

Effective June 1, 2016, the Plan was amended to increase the Death Benefit by \$5,000. The amount of the Death Benefit shall be determined by the classification of the Employee, retiree or surviving spouse at the time of his or her death.

Effective August 1, 2016, the Plan was amended to provide that the medical, hospital, prescription drug and surgical benefits provided by the Fund to you and your dependents shall be set forth in the schedules of benefits in the Fund's agreement with Blue Cross Blue Shield of Michigan Medicare Advantage Plan.

Effective January 1, 2017, the Plan was amended to provide that an individual who would otherwise lose coverage for health benefits from this Fund because he is no longer eligible for continued disability benefits from the Pension Fund because he has not submitted proof of eligibility for Social Security Disability Benefits within 24 months, will not lose eligibility in this Fund if, by the time his Pension Fund disability benefits cease, he (1) has applied for Social Security Disability Benefits; and, (2) has not received a determination from the Social Security Administration. Notice of Social Security Administration's determination must be provided within 10 days of his receipt. If the Social Security Disability Benefits are granted, coverage by the Fund will continue for as long as the individual receive Social Security Disability Benefits, subject to the other rules and restrictions herein. If the Social Security Administration denies the individual's application for Social Security Disability Benefits, his eligibility for coverage in this Fund shall cease at the end of the month in which he received the denial letter from the Social Security Administration. If the individual fails to timely notify the Fund Office of the Social Security Administration's denial, the Fund may pursue recovery of all amounts improperly paid on behalf of that person.

Effective December 1, 2017, the Plan was amended to remove an exemption from coverage of a dependent spouse of a participant who would have been eligible for other insurance through her place of employment but rejected such coverage. As such, depended spouses will be eligible for coverage by the Fund (provided they meet all other requirements for dependent Spouse coverage) even if they reject available coverage through their place of employment.

Effective January 1, 2018, the Plan was amended to provide Member Assistance Program (MAP) services through the Fund at no charge. The MAP benefits provided by the Fund to such individuals shall be set forth in the Fund's Agreements with its MAP providers, currently Ulliance, which are incorporated by reference as if printed verbatim herein.

Effective June 1, 2018, the Plan was amended to provide a \$10,000 Death Benefit payable upon the death of an eligible Dependent Child.

Effective January 1, 2019, the Plan was amended to provide coverage for LASIK vision correction with a lifetime maximum of \$900 per eye per person.

Effective January 1, 2019, the Plan was amended to provide that a Plan's Coordination of Benefits provisions will apply notwithstanding a participant's non-compliance with the terms of any other plans under which he or she may have coverage. Previously, the Plan required strict compliance with the terms of any other plans the participant had coverage in order to coordinate benefits.

Effective January 1, 2019, the Plan was amended to provide that the medical, hospital, prescription drug and surgical benefits provided by the Fund to you and your dependents shall be set forth in the schedules of benefits in the SMART-Humana Medicare Advantage Plan.

Effective January 1, 2019, the Plan was amended to clarify that Death Benefit payable are not payable upon the death of the Dependent Spouse of a Medicare Eligible Retiree.

Effective May 1, 2020, the Plan was amended to provide that Death Benefits are also available upon the death of a COBRA Participant or Beneficiary.

Effective January 1, 2021, the Plan was amended to provide that the medical, hospital, prescription drug and surgical benefits provided by the Fund to you and your dependents shall be set forth in the schedules of benefits in the Blue Cross Blue Shield of Michigan (BCBSM) Medicare Advantage PPO Plan.

TRUSTEE CHANGES

As of the date of this Summary of Material Modifications, the Board of Trustees consists of the following:

UNION TRUSTEES

Tim Mulligan (Chairman)
Eric McPherson
David Hartsuck
Bryan McConnell

EMPLOYER TRUSTEES

David Karl (Secretary)
Rick Mead
Dawn Norris-Senopole
Ian Switalski

Legal Counsel and Agent for Service of Legal Process

Joseph Pawlick, Esq.
Watkins, Pawlick, Calati & Prifti, PC
1423 East Twelve Mile Road
Madison Heights, MI 48017

The Funds have a website at <https://www.ourbenefitoffice.com/Sheet80> that includes the 2014 Summary Plan Description, this Summary of Material Modifications, forms, news, links and frequently asked questions. You are encouraged to visit that site.

NOTICE OF AVAILABILITY OF HIPAA PRIVACY PRACTICES

This Notice is intended to confirm that the Fund complies with the Privacy Regulations issued under the Health Insurance Portability and Accountability Act (HIPAA). The law restricts the use and disclosure of the non-public "protected health information" of the Participant and the Participant's covered dependents, if any, with regard to benefits provided under the Fund's group health plan. That protected health information can generally be disclosed only by the Fund, its vendors and the Participant's/dependent's health care provider(s) only if necessary for the payment of claims, treatment of illness or other health care operations, including the administration of health care benefits, as permitted by law and the HIPAA Privacy Regulations.

For questions about this Notice, a complete copy of the Fund's Notice of Privacy Practices, or to file a complaint, contact the Fund's Privacy Officer, Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund, P.O. Box 189, Troy, Michigan 48099-0189, (248) 641-4980 or (800) 400-7710.

WOMEN'S HEALTH AND CANCER RIGHTS / NEWBORNS' AND MOTHERS' HEALTH PROTECTION NOTICE

Pursuant to the **Women's Health and Cancer Rights Act of 1998**, the Fund provides participants and beneficiaries receiving mastectomy benefits who elect mastectomy related breast reconstruction with benefit coverage for the following:

- **Reconstruction of the breast on which the mastectomy has been performed.**
- **Surgery and reconstruction of the other breast to produce a symmetrical appearance; and**
- **Prostheses and physical complications of all stages of mastectomy, including lymph edemas, in a manner determined in consultation with the attending physician and the patient.**

Such coverage may be subject to annual deductibles and coinsurance provisions, consistent with those established for other benefits under the plan or coverage.

Also, the **Newborns' and Mothers' Health Protection Act of 1996 (NMHPA)** generally prohibits group health plans from limiting hospital stays for childbirth to less than 48 hours for normal deliveries and 96 hours for cesarean section deliveries for a mother and her newborn child, except with consent of the mother and approval of her physician, or from requiring that a provider obtain authorization from the Plan for prescribing a length of stay not in excess of the above.

If you have any questions regarding this notice, please do not hesitate to contact the Fund Office.

**Important Notice From
Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund
About Your Prescription Drug Coverage and Medicare**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage under the Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund has determined that the prescription drug coverage offered through the Fund is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered "Creditable" Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and you will not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare Part D drug plan, you will lose your current prescription drug coverage and medical coverage under the Plan.

If you do decide to join a Medicare drug plan, be aware that you and your dependents will not be able to get this coverage back.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage through Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary

premium per month for every month that you did not have that coverage. For example, if you go nineteen months without coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the department listed below for further information. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through the Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund changes. You also may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You will get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans. For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & You handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date:	May 2021
Name of Entity/Sender:	Sheet Metal Workers' Local Union No. 80 Insurance Trust Fund
Contact:	Eligibility Department
Address:	P.O. Box 1408, Troy, MI 48099
Phone Number:	248-641-4980 or 1-800-400-7710

SHEET METAL WORKERS' LOCAL UNION NO. 80 INSURANCE TRUST FUND
SOCIAL SECURITY NUMBER PRIVACY POLICY
(EFFECTIVE JANUARY 1, 2006)

The Social Security Number Privacy Act makes it unlawful, with respect to all or any more than four sequential digits of an individual's social security number, to do any of the following:

- Publicly display more than 4 sequential digits of the Social Security number. The term "publicly display" is broadly defined to mean exhibit, hold up, post or make visible such as on a computer screen, network, or other electronic medium.
- Use a person's social security number as an individual account number,
- Print a Social Security number on the outside of any envelope or package mailed or sent to an individual,
- Require use or transmission of more than 4 sequential digits of a Social Security number over the internet or a computer network, unless the connection is secure or the transmission is encrypted, or
- Require use or transmission of more than 4 sequential digits of a Social Security number to gain access to a website or computer system or network, unless the connection is secure and the transmission is encrypted, or protected by a password or other unique personal ID number or authentication device.

The statute also prohibits including all or more than 4 sequential digits of a Social Security number in any document or information mailed to a person, unless certain conditions, including the following, apply:

- A state or federal law or rule or court order authorizes, permits or requires the Social Security number's use,
- The document sent is part of an application or enrollment initiated by the individual,
- The document is sent to establish, confirm service, amend or terminate an account, contract, policy, or employee or health insurance benefit; or
- The document is mailed by a public body in certain circumstances.

The restrictions do not apply to use of a Social Security number that is "authorized or required by state or federal statute, by court order, or pursuant to legal discovery or process."

It is not a violation of the Act to use a Social Security number to "verify an individual's identity, identify an individual, or do another similar administrative purpose related to," proposed employment or employment. Use of Social Security numbers to provide or administer health insurance, membership benefits, or retirement programs is also permissible. An entity may also use all or part of a Social Security number to "lawfully pursue or enforce a person's legal rights," which may include "audit, collection, investigation, or transfer of a tax, employee benefit, debit, claim" or account.

To comply with the Social Security Number Privacy Act, to protect the confidentiality of the Funds' participants' and beneficiaries' social security numbers, and to prevent to the extent possible their disclosure to persons who would use them unlawfully, the Boards of Trustees of the Funds hereby adopt the following Social Security Number Privacy Policy:

- All Fund service providers and their agents and employees are hereby directed to ensure to the extent practicable the confidentiality of all Social Security numbers.
- All Fund service providers and their agents and employees are hereby prohibited from making any disclosure of Social Security numbers contrary to the provisions of the law as set out above.
- All Fund service providers and their agents and employees are directed to limit who has access to information or documents that contain the Social Security numbers strictly to those individuals for whom such information is necessary for the provision and administration of the Funds' health, welfare or retirement programs. Information in any form, written or electronic, which contains Social Security numbers will be handled only by those persons whose job duties require them to have access to that information for the provision and administration of the Funds' health, welfare or retirement programs. If such information is contained in documents, the documents will be securely stored, with access limited to those persons whose job duties require them to have access to that information. If such information is in electronic form, access to any computer or computer files will be limited, through the use of passwords and/or other technology, to those persons whose job duties require them to have access to that information.
- Documents which contain Social Security numbers and which are no longer needed will be disposed of, whether by shredding or otherwise, in a manner which will ensure that the numbers are protected. Each Fund service provider shall be responsible for supervising this process.

Fund service providers who violate this privacy policy will be subject to disciplinary action, up to and including termination.

SHEET METAL WORKERS' LOCAL UNION NO. 80
FRINGE BENEFIT FUNDS
P.O. BOX 1408
TROY, MI 48099-1408



Important Fund Information

PRSRT STD
U.S. Postage
PAID
ABC Mailing, Inc.
48083