

U.A. Local No. 393 Benefit Funds

HEALTH & WELFARE, SUB, DEFINED BENEFIT PENSION AND DEFINED CONTRIBUTION

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NOTICE OF MATERIAL MODIFICATIONS

to the

U.A. LOCAL 393 HEALTH AND WELFARE PLAN

(As revised November 1, 2019)

Date: September 2024
To: All Participants in the U.A. Local No. 393 Health & Welfare Plan
From: Board of Trustees
Re: Eight (8) Plan Rule Changes and one (1) Decrease to Monthly Costs

This document is a Summary of Material Modifications (“Summary”) intended to notify you of the important changes made to the U.A. Local No. 393 Health and Welfare Plan (“the Plan”) since the Summary Plan Description was last distributed to you. Please note that, in the event of conflict between this Summary and the terms of the Plan, the terms of the Plan will govern.

The Trustees have made several changes to the Formal Plan Rules:

1. Effective August 1, 2023, the Career Hours used to determine your subsidy for retiree coverage **includes any career hours you accrue during retirement.**

The Administration Office will contact you if your Career Hours are adjusted. Remember, to qualify for the largest subsidy (where you only pay 25% of the monthly cost in retirement), you need 75,000 Career Hours.

2. Effective June 1, 2024, eligible Individual Employers may choose retiree coverage through **either** the PPO Plan or Kaiser (if pre-Medicare), or the Kaiser Senior Advantage or Aetna Medicare Advantage Plan (if eligible for Medicare).

Previously, only Kaiser plans were offered.

3. Effective June 17, 2024, if you get divorced or legally separated from your spouse, or if your domestic partnership terminates, your ex-spouse/domestic partner and any children of the domestic partner will be dropped from the Plan **at the end of the month** in which a court issues a decree or judgment of legal separation or final dissolution of your marriage, or your domestic partnership terminates. Your ex-spouse / domestic partner / children of the domestic partnership will be offered COBRA coverage upon termination of coverage under this Plan.

Reminder: Contact the Administration Office if you are getting a divorce. It is important to remove an ex-spouse as soon as your divorce or legal separation is final – failing to do so may have adverse impacts on your benefits. Furthermore, the Pension Plans need this information for accurate pension benefit administration.

4. Effective June 17, 2024, the eligibility rules for retiree coverage for participants who did not satisfy the activity test of being covered by the Plan as an active employee for 9 out of last 10 years prior to retirement have changed.

- Previously, satisfying this “9 out of 10 activity test rule” was waived if you were **eligible for and enrolled in Medicare Parts A and B** and had **at least 35** years of Benefit Credit under the U.A. Local No. 393 Defined Benefit Pension Plan.
- Now, the “9 out of 10 activity test rule” is waived as follows:
 - If you first started working under the Pension Plan **before** May 1, 2017 and
 - have at least **25** years of Benefit Credit, and
 - are **at least age 55**.
 - If you first started working under the Pension Plan **on or after** May 1, 2017 and
 - have at least **25** years of Benefit Credit, and
 - are **at least age 60**.
- All other plan rules for retiree coverage still apply.

If you are considering early retirement from the Pension Plan, please make sure to ask the Eligibility Department how this change may benefit you.

5. Effective September 1, 2024, based on July 2024 work hours, new entrants who do not elect their medical plan choice upon initial eligibility will be **defaulted into the PPO Plan**.

Previously, the default plan was Kaiser HMO.

Reminder: *You can change your medical plan choice once in a 12-month period.*

6. Effective September 1, 2024, Residential Employees, Service Tradesmen and Provisional Journeyman Service Plumbers (Levels I through III) under the UA National Plumbing Service Agreement may receive medical benefits from either the **PPO Plan or Kaiser HMO**.

Previously, only the Kaiser HMO was offered. If this change applies to you and you want to switch to the PPO Plan starting in October, please submit an Enrollment Form to the Administration Office.

7. Effective October 1, 2024, the PPO Plan now covers elective abortions and intrauterine insemination (IUI). The Plan pays 90% in-network (or 60% of the UCR charges for out-of-network), subject to the annual deductible.

This change aligns the fertility benefit under PPO and under HMO to be relatively comparable. Please note that in vitro fertilization (IVF) is still excluded.

8. Effective October 1, 2024, Applied Behavioral Analysis (“ABA”) Therapy under the PPO Plan **no longer** requires pre-authorization and a diagnosis of autism.

This change should make it easier for you and/or your dependents to access ABA therapy.

The Trustees are pleased to announce a **decrease** in the non-Medicare early retiree monthly medical plan cost. Effective **July 1, 2024**, the base cost will **decrease 8.4% from \$2,250 to \$2,060**.

Please watch for a change to your billing if this applies to you. Remember, this cost may further decrease based on the subsidy for retiree coverage you qualify for upon retirement.

These changes are made pursuant to Amendment 29 to the Formal Plan Rules, which can be found on the member portal – www.ualocal393benefits.org (in the documents tab). Please contact the Plan’s Administration Office at the following telephone number, if you have any questions concerning this Summary, the Health and Welfare Plan or your coverage: (408) 588-3751.