



**SUMMARY OF MATERIAL MODIFICATIONS
SOUTHERN CALIFORNIA LOCAL 831 EMPLOYER HEALTH TRUST FUND
SUMMARY PLAN DESCRIPTION – JUNE 2015**

SECTION 15

RETIREE ELIGIBILITY PROVISIONS¹

RETIREMENT ON JANUARY 1, 2007 OR LATER

If you retired on or after January 1, 2007, you are eligible for retiree benefits under this Plan (referred to herein as “Retiree COBRA”) if on the date of your Actual Retirement (if before age 65), you meet each of the following special qualifications:

1. You had been an Active Employee in this Plan for at least 12 of the immediately preceding 24 months (excludes time on any COBRA coverage); and
2. You had been, at the time of retirement, either:
 - a. Credited with at least ten (10) full years of Vesting Service in the Southern California Local 831 Employer Pension Plan within the immediately preceding fifteen (15) years, or,
 - b. Credited by this Plan with at least 1,000 hours of Covered Employment in at least ten (10) Plan Years within the immediately preceding fifteen (15) plan years.

¹ This document represents the replacement pages to your Employer Health Fund SPD, Section 15 at pages 74 – 78. The changes to the SPD Section 15 are in ***bold italic font*** in this document.

During the period of this Retiree COBRA coverage – and only during that period – the term “Employee,” as used throughout this portion of the Plan, will apply to retirees covered by Retiree COBRA. ***Effective starting June 1, 2016, if you are a Retiree (or the surviving spouse of a Retiree) receiving a monthly benefit from the Southern California Local 831 Employer Pension Plan (the “Local 831 Pension Plan”), you must then sign an authorization that your co-payment for Retiree COBRA will be paid via a deduction from your Local 831 Pension Plan monthly pension benefit. This deduction for Retiree COBRA from your Local 831 Pension monthly pension benefit will be automatically forwarded to the Health Fund Office. Otherwise, without this mandatory deduction to pay your monthly co-payment for Retiree COBRA, you will not be eligible to enroll and/or continue to receive Retiree COBRA coverage.***

Please note that your assignment to pay your Retiree COBRA co-payment via an automatic deduction from your Local 831 Pension Plan monthly benefit is *revocable at any time by you*; provided, however, that if and when you revoke your pension assignment to pay your Retiree COBRA co-payment, you will no longer be eligible for Retiree COBRA coverage.

Please contact the Health Fund Office for Local 831 Pension Plan for the required assignment forms.

Health Plan Suspension Rule

If you are eligible for another group’s health plan coverage by reason of your employment, or as a dependent in the event of your spouse’s employment, you may suspend your coverage under this Plan and your obligation to make co-payments by giving appropriate written notice to the Plan Administrator. You will then be again eligible under this Plan on the first of the month following the date your eligibility under the other group’s health plan ends, provided you tell us within 31 days of the date you are no longer eligible to be covered under the other group health plan. Your coverage and co-payment under this Plan will be re-instated on the first of the month immediately following the last month in which you were eligible under the other group’s health plan, provided you timely notify the Trust Fund Office of the termination of your eligibility under the other group health plan. If you do not notify the Trust Fund Office within 31 days of the termination of the other coverage, coverage under this Plan will be prospective from the first of the month next following your notice. However, the Trustees may provide retroactive coverage where the beneficiary could not reasonably provide timely notice. In any event, however, if your notice is not provided until six months or more after the termination of the other coverage, your right to be reinstated in the Plan will be on a prospective basis only.

Health Plan Subsidy for Years of Credited Service Coverage

For each year of Credited Service (as defined in the Local 831 Pension Plan) that an Employee has accrued as of the time of retirement, a subsidy of \$15 per month will be used to reduce the cost of your coverage. An Employee with 20 years of Credited Service would receive a subsidy of \$300.00 per month toward the costs of the current health premium.

The subsidy will only apply after the active bank has been depleted.

If you return to work after retirement and you work more than 40 hours during and one month in the same trade or craft and in the same geographical area as covered by the Plan, your pension benefit is suspended and your Health Plan subsidy for that month will also be suspended.

If you have post-retirement work hours, employer contributions made towards health coverage will be reviewed quarterly and if you have accumulated enough for at least one month of coverage for the level selected, including your Health Plan Subsidy, then you will be notified that no payment is necessary for specified months.

“Actual Retirement” means application for and continued receipt of retiree benefits from this Plan. Benefits under this Retiree COBRA Plan shall be prospective only from the time a valid and payable application for pension benefits is filed. Benefits under this plan shall not be retroactive even if the pension benefits are retroactive.

Retiree COBRA supplements COBRA requirements by reducing the required COBRA premiums for the Employee and his or her Dependents who participate in the Retiree COBRA plan at the time of the Employee’s first retirement and continues coverage for the Employee and his or her Dependents who participate in the Retiree COBRA plan at the time of your first retirement. After you have used up all of your regular COBRA Benefits, the retiree COBRA Plan then continues your coverage and that of Dependents, if the same Dependents were covered for the entire period since your Actual Retirement. This coverage will continue until one of the events listed under Termination of Coverage occurs.

“Active Employee”, for the purposes of this provision, means only those whose current participation in this Plan results from employer contributions, pursuant to a collective bargaining agreement, or participation agreement for current active employment. Such participation does not include things such as participation as a result of payments made under a collective bargaining agreement for persons not then currently actively employed, nor self-payments, nor participation from an extension of benefits for disability.

Dependent Coverage

If you met the eligibility requirements above and enrolled for retiree health benefits you may also enroll your Dependent children and your legal spouse as Dependents provided your Dependent children and your legal spouse are enrolled at the same time you enrolled and your legal spouse agreed, in writing, to select participation in the Retiree Plan instead of participation in COBRA and specifically waived participation in COBRA. You may not later add Dependent children or a legal spouse even if you were not married at the time you enrolled in this Plan and subsequently married or you divorced and subsequently re-married.

Termination of Coverage

Your coverage will automatically end on the earliest of the following dates:

1. the date this Plan ends;
2. the date you become ineligible for coverage, ***including your failure to authorize an assignment of your co-payment from your Local 831 Pension Plan monthly benefit, or your revocation of a previous Local 831 Pension Plan monthly benefit assignment to pay your Retiree COBRA co-payment;***
3. the first of the month in which you turn age 65 or, if earlier, in which you become eligible for Medicare;
4. the date you begin active duty in the armed forces;
5. the date you fail to make a required premium contribution. ***Starting June 1, 2016, if you are receiving a monthly benefit from the Local 831 Pension Plan, then you must pay your required premium contribution via a deduction from your Local 831 Pension Plan monthly benefit. Otherwise, without this mandatory deduction to pay your monthly co-payment for Retiree COBRA, you will not be eligible to enroll and/or continue to receive Retiree COBRA coverage.*** If you lose eligibility due to non-payment or late payment of premiums, you will not be eligible for reinstatement even if you are subsequently re-hired and covered as an Active Employee and subsequently re-retire prior to when you turn age 65 (although you may still be entitled to regular COBRA Benefits);
6. 31 days after you have established residence outside the U.S.;
7. the date retirees are no longer an eligible class under this Plan;
8. the date you become eligible for any other group medical coverage including but not limited to, coverage under another group plan, State or Federal programs such as Medicaid, Medicare, Social Security or Veterans Administration coverage; or
9. the date you are no longer actually retired.

Coverage for your Dependent(s) will end on the earliest of the following dates:

1. the date this Plan ends;
2. the date you become ineligible;
3. the first of the month in which your Dependent turns age 65 or becomes eligible for Medicare;

4. the date you fail to make a required premium contribution. ***Starting June 1, 2016, if you are receiving a monthly benefit from the Local 831 Pension Plan, then you must pay your required premium contribution via a deduction from your Local 831 Pension Plan monthly benefit. Otherwise, without this mandatory deduction to pay your monthly co-payment for Retiree COBRA, you will not be eligible to enroll and/or continue to receive Retiree COBRA coverage.*** If you lose eligibility due to non-payment or late payment of premiums, your Dependent will not be eligible for reinstatement even if you are subsequently re-hired and covered as an Active Employee and subsequently re-retire prior to when you turn age 65 (although you may still be entitled to regular COBRA Benefits);
5. the date your coverage ends unless your coverage ends because you become entitled to Medicare before age 65. In such case, if your Dependents are entitled to additional regular COBRA after your coverage ends, the retiree COBRA subsidy will continue to be paid until the earlier of (a) you reaching age 65 or (b) your Dependents are no longer entitled to regular COBRA;
6. the date the Employee or Dependent commences active duty in the armed forces;
7. the first of the month following your death;
8. the date the person ceases to be a Dependent; or
9. 31 days after the Dependent establishes residence outside the U.S.

Subsequent Return to Active Covered Employment

If you retired and are covered under the Retiree Health Plan and you subsequently return to covered employment, you and your Dependents will be eligible for the Active Health Plan on the same terms and conditions as applied to all other Active Employees (you will continue to be eligible as a retiree during the initial eligibility period if you meet the other conditions for retiree coverage).

If you are an under age 65 retiree and, after you return to covered employment, you again retire, you shall again become eligible for retiree health coverage for you and your eligible Dependents upon your subsequent re-retirement provided you have maintained continuous coverage under this Plan and meet the rules for retiree coverage in force at that time.

Enrollment Procedures

If you wish to enroll in Retiree COBRA, you must fully complete the required enrollment form and return it to the Trust Fund Office within 60 days of your retirement or the date which you first become eligible for Retiree COBRA.

The Trust Fund Office will send Retiree COBRA information and the proper enrollment form to each Employee in this Plan for whom it has received notice of an upcoming scheduled retirement date.

You must fully complete the enrollment form and return it to the Trust Fund Office within 60 days of your retirement or the date which you first become eligible for Retiree COBRA, if different.

Premiums, if any, for the Retiree COBRA extension period coverage are due in the Trust Fund Office no later than the 20th day of the month immediately before the month being covered. ***Starting June 1, 2016, if you are receiving a monthly benefit from the Local 831 Pension Plan, then you must pay your required premium contribution via a deduction from your Local 831 Pension Plan monthly benefit. Otherwise, without this mandatory deduction to pay your monthly co-payment for Retiree COBRA, you will not be eligible to enroll and/or continue to receive Retiree COBRA coverage.***

Please contact the Health Fund Office for Local 831 Pension Plan benefit assignment forms in order that you may authorize your Retiree COBRA premiums to be automatically deducted from your Local 831 Pension Plan monthly benefit and avoid termination of your Retiree COBRA coverage.

Selection of Coverage

You will be enrolled in the Level of Coverage and Plan that last covered you as an Employee. You may choose between Kaiser or the Indemnity Plans only during Open Enrollment.

Reminder

The Board of Trustees has and retains the right at any time to amend, change or eliminate any benefit under this Plan or this Plan itself. Such decision shall be solely in the discretion of the trustees and may be without notice to the Participants. Such termination may apply to pending claims, claims in process and/or claims adjudicated.