**Sheet Metal #10 Benefit Fund**

OFFICE OF THE ADMINISTRATOR

1681 East Cope Ave, Suite B, Maplewood, MN 55109

651-770-0991 Fax 651-770-1351 1-800-396-2903

**December 2018**

**IMPORTANT ANNOUNCEMENT**

**FOR**

**RETIRED PARTICIPANTS**

**Summary of Material Modifications**

The Trustees of the Sheet Metal #10 Benefit Fund announce the following changes to the Plan for Retired Participants on the effective dates provided below.

1. **Appendix A – Retiree HRA Plan**

Effective December 1, 2018, the “Eligible Retiree HRA Benefits” provisions for the Retiree HRA Plan are amended to provide as follows:

# Appendix A - Retiree HRA Plan

***Establishment of HRA feature to Plan***

The Trustees, as Plan sponsor, established the Retiree HRA Plan (“Retiree HRA”) as a feature of the Sheet Metal Local #10 Benefit Fund for Retired Participants, effective January 1, 2015 (the “Effective Date”).

***Legal Status***

This Retiree HRA Plan feature is intended to qualify as a medical reimbursement arrangement under Code sections 105 and 106 and the related regulations, and as a Health Reimbursement Arrangement as defined under IRS Notice 2002-45 and shall be interpreted to accomplish that objective. The Retiree HRA Benefits reimbursed under this Retiree HRA are intended to qualify as Medical Care Expenses eligible for exclusion from a Retiree’s income under Code section 105(b). The Retiree HRA Plan will reimburse qualified medical care expenses as provided in Code section 213(d).

***Definitions Applicable to Retiree HRA Plan***

“Retiree HRA Benefits” means the reimbursement of benefits as further defined in the *Eligible Retiree HRA Benefits* section below.

“Retiree HRA Account” means the HRA Account described under the “Establishment of Retiree HRA Account” section.

“Retiree” means a retiree eligible for benefits under the Sheet Metal #10 Benefit Fund for Retired Participants.

***Eligibility to Participate***

A Retiree is eligible to participate in the Retiree HRA as long as they meet the “Eligibility Rules” as detailed on page 17 of this Plan Document.

***Conversion of Dollar Bank to Retiree HRA Account***

At retirement, a Retiree’s Dollar Bank in the Sheet Metal #10 Benefit Fund will be converted to a Retiree HRA Account for use under the Sheet Metal #10 Benefit Fund for Retirees and their Dependents as further detailed below. In no event will Retiree HRA Benefits be provided in the form of cash or any other taxable or nontaxable benefit other than reimbursement for Retiree HRA Benefits.

***Establishment of Retiree HRA Account***

A Retiree HRA Account will be established and maintained with respect to each individual Retiree. The HRA Account so established will merely be a recordkeeping account for the purpose of keeping track of contributions and available reimbursement amounts from the Trust.

* *Crediting of Accounts.* The Retiree HRA Account will be credited with the dollar-for-dollar amount of the Retiree’s Dollar Bank balance at the time of the Retiree’s election for Retiree coverage.
* *Debiting of Accounts.* An Individual’s Retiree HRA Account will be debited in the amount of any reimbursement for unreimbursed medical expenses as well as for the monthly premium required for Retiree coverage under this Plan only until such time as (1) the Retiree Opts-Out of coverage under the Sheet Metal #10 Benefit Fund for Retired Participants, (2) exhausts their Retiree HRA Account, or (3) otherwise loses coverage due to another provision of the Retiree Plan.
* *Available Amount.* The amount available for reimbursement of medical expenses or debiting for Retiree Plan premiums from the Retiree HRA Account to the Sheet Metal #10 Benefit Fund for Retired Participants is the amount credited to an HRA Account reduced by prior monthly debits from the Retiree HRA Account to pay for coverage or reimburse for submitted qualified medical expenses.

***Eligible Retiree HRA Benefits***

The Retiree HRA will reimburse any qualified medical care expense under IRS Code §213(d) incurred on and after December 1, 2018. A qualified medical care expense is incurred at the time the medical care or service is furnished, and not when you are formally billed for, charged for, or pay for the medical care. In addition, expenses payable from your HRA Account must be substantiated. Expenses for your Eligible Dependents can be reimbursed from your Retiree HRA Account as well.

The following expenses are eligible for reimbursement in accordance with the rules and procedures in this HRA Plan. However, this is not intended to be an all-inclusive list. Other expenses not listed here may be reimbursable.

* Acupuncture
* Alcoholism (the treatment of)
* Ambulance
* Annual Physical Examination
* Artificial Limb
* Bandages
* Birth Control Pills
* Braille Books and Magazines
* Breast Reconstruction Surgery
* Chiropractor
* Christian Science Practitioner
* Contact Lenses
* Crutches
* Dental Treatment
* Dental X-rays
* Dentures
* Diagnostic Devices
* Drug Addiction (the treatment of)
* Eyeglasses
* Eye Surgery
* Fertility Enhancement
* Guide Dog
* Gum Treatment
* Gynecologist
	+ - Hearing Aids and Batteries
		- Hospital Bills
		- Hydrotherapy
		- Insulin Treatments
		- Insurance Premiums for COBRA or Medicare
		- Lab Tests
		- Lead Paint Removal
		- Lodging (away from home for outpatient care)
		- Metabolism Tests
		- Neurologist Services
		- Nursing Services
		- Obstetrician Services
		- Operating Room Costs
		- Ophthalmologist Services
		- Optician Services
* Optometrist Services
* Oral Surgery
* Organ Transplants (including donor's expenses)
* Orthopedic Shoes
* Orthopedist Services
* Osteopath Services
* Over-the-Counter Medications (if prescribed by a Physician, doctor or surgeon)
	+ - Oxygen and Oxygen Equipment
		- Pediatrician Services
		- Physician Services
		- Physiotherapist Services
		- Podiatrist Services
		- Postnatal Treatments
		- Practical Nurse Medical Services
		- Pregnancy Test Kit
		- Prenatal Care
		- Prescription Medicines
		- Prosthesis
		- Psychiatrist Services
		- Psychoanalyst Services
		- Psychologist Services
		- Psychotherapy
		- Qualified Long-Term Care Insurance Premiums (up to certain limits)
		- Registered Nurse Services
		- Self-payment contributions to the Plan
		- Special School Costs for the Handicapped
		- Splints
		- Sterilization
		- Stop Smoking Programs
		- Surgeon Services
		- Telephone or TV Equipment to Assist the Hard-of-Hearing
		- Therapy Equipment
		- Transportation Expenses (relative to health care)
		- Vaccines
		- Vasectomy
		- Vitamins (if prescribed)
		- Weight-Loss Program
		- Wig
		- Wheelchair
		- X-rays

### **Non-Reimbursable Expenses**

Qualified Medical Care Expenses can only be reimbursed when they have not already been reimbursed by another insurance plan, or any other accident plan or health plan, including a Health Flexible Spending Account (FSA). If a portion of a Qualified Medical Care Expense has been reimbursed elsewhere (e.g., because the health insurance plan imposes copayment or deductible limitations), you can be reimbursed for the remaining portion of such an expense (e.g., the deductible or copay) through your HRA Account if the expense otherwise meets the requirements of a Qualified Medical Care Expense.

"Qualified Medical Care Expenses" will not include the following expenses (not an exhaustive list):

* Athletic, Fitness, or Health Club Membership
* Automobile Insurance Premium (allocable to medical coverage)
* Boarding School Fees
* Bottled Water
* Commuting Expenses of a Disabled Person
* Cosmetic Surgery and Procedures
* Cosmetics, Hygiene Products, and Similar Items
* Diaper Service
* Domestic Help
* Funeral, Cremation, or Burial Expenses
* Health Programs offered by Resort Hotels, Health Clubs, and Gyms
* Illegal Operations and Treatments
* Illegally Procured Drugs
* Massage Therapy (unless prescribed)
* Maternity Clothes
* Premiums for health insurance for individual or group policies other than the Welfare Plan
* Scientology Counseling
* Social Activities
* Special Foods or Beverages
* Specially Designed Car for the Handicapped (other than an autoette or special equipment)
* Swimming Pool
* Travel (for general health improvement)
* Tuition and Travel Expenses (for a problem child to a particular school)
* Voluntary Abortion Expenses
* Weight Loss Programs (for general health)
* Any Item not considered "Medical Care" under IRC Section 213

### **Reimbursement Procedures**

Your Retiree HRA Plan Account will be debited monthly for the cost of Retiree Plan coverage.

If you wish to be reimbursed for any unreimbursed qualified medical expenses, you must take the following steps:

* Obtain an HRA Reimbursement Form from either the Fund Office or Wilson-McShane;
* Complete the Reimbursement Form and attach to the form receipts/documentation substantiating the expense for which reimbursement is sought;
* Reimbursement will then be issued along with an Explanation of Benefits.

***Termination of Participation***

Retirees will have their Eligibility terminate pursuant to the “Termination of Eligibility” provisions on page 20 of this Plan Document.

***Maximum Annual Benefit***

There is no annual maximum benefit under the Retiree HRA Account. The Retiree may use their Retiree HRA Account as long as they remain eligible under the Plan and there is a Retiree HRA Account balance.

***If You Return to Active Employment***

In the event a Retiree returns to active employment and qualifies for active coverage under the “Re-Qualifying Eligibility” provisions of the Sheet Metal #10 Benefit Fund for Active Participants, the Retiree’s Retiree HRA Account will be frozen. The Retiree HRA Account will not be converted back to a Dollar Bank. If the Retiree once again retires and gains eligibility for coverage under this Plan, their Retiree HRA Account will be unfrozen and once again available for use to pay for coverage under this Plan.

***Spend Down/Forfeitures***

In the event the Retiree dies the balance in his HRA Account will be available for use by his Dependents, if any, to continue to pay for coverage under this Plan or receive reimbursement for unreimbursed qualified medical expenses until such time as the Retiree HRA Account is exhausted.

***Funding This Plan Feature***

All of the amounts payable under this Retiree HRA Account Plan will be paid from the general assets of the Trust. Nothing in this description will be construed to require the Trustees to maintain any fund or to segregate any amount for the benefit of any Retiree, and no Retiree or other person shall have any claim against, right to, or security or other interest in any fund, account or asset of the Trust from which any payment under this Retiree HRA Account Plan may be made.

**STATEMENT OF NONDISCRIMINATION**

 The Sheet Metal #10 Benefit Fund (“Fund”) complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability or sex. The Fund does not exclude people or treat them differently because of race, color, national origin, age, disability or sex.

 The Fund provides free aids and services to people with disabilities to effectively communicate with us, such as:

* Qualified sign interpreters
* Written information in other formats (large print, audio, and accessible electronic formats)
* Provides free language services to people whose primary language is not English, such as:
	+ Qualified interpreters
	+ Information written in other languages

If you need any of the above noted services, contact the Plan Administrator at 952-854-0795.

If you believe that the Fund has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability or sex, you can contact the Plan Administrator at 952-854-0795 or you may file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at https://ocrportal.hhs.gov/ocr/portal/lobby.jsf, or by mail or phone at:

U.S. Department of Health and Human Services

 200 Independence Avenue, SW

 Room 509F, HHH Building

 Washington, DC 20201

 1-800-368-1019, 800-537-7697 (TDD)

Complaint forms are available at http://www.hhs.gov/ocr/office/file/index.html

Minnesota/North Dakota/South Dakota Languages

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| **Language** | **Translation** |
| English | Attention:  If you speak (insert language), language assistance services, free of charge, are available to you.  Call 1-952-854-0795. |
| Spanish | Atención: Si usted habla (español), tenemos disponible para usted el servicio de ayuda en su idioma sin costo alguno. Llame al 1-952-854-0795. |
| Hmong | Faj Seeb: Yog hais tias koj hais (Hmoob), kev pab cuam pab txhais lus, dawb tsis tau them, yeej muaj muab rau koj. Hu 1-952854-0795. |
| Cushite | Hubachiisa: Yoo kan afaan Oromoo dubbattan ta'e tajaajilli gargaarsa hiikoo afaanii ni argattu. Lakk. 1-952-854-0795 tiin bilbilaa. |
| Vietnamese | Nếu quý vị nói (tiếng Việt), chúng tôi có dịch vụ hỗ trợ ngôn ngữ sẵn sàng phục vụ quý vị miễn phí. Vui lòng gọi: 1-952-854-0795 |
| Chinese | 请注意：如果您讲中文，则您可以获得免费的语言协助服务。请致电：1-952-854-0795。 |
| Russian | Внимание: Если Вы говорите на (Русском), услуги лингвистической поддержки доступны Вам бесплатно.Звоните 1-952-854-0795. |
| Laotian | ໝາຍເຫດ: ຖ້າທ່ານເວົ້າພາສາລາວ, ມີການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາໂດຍບໍ່ເສຍຄ່າໃຫ້ແກ່ທ່ານ. ໂທຫາ 1-952-854-0795. |
| Amharic | ማሳሰቢያ:  የሚናገሩት (አማረኛ) ቋንቋ ከሆነ ከክፍያ ነጻ የሆነ የቋንቋ እገዛ አገልግሎት ማግኘት ይችላሉ። በስልክ ቁጥር 1-952-854-0795 ይደውሉ። |
| Karen | w>'k;oh.ng=erh>uwdR (unDusdm)< usdmw>rRpXRw>zH;w>rRwz.< vXwvXmbl;vJ< td.vXe\*D>M.vDRI ud;vD wJpdql 1-952-854-0795 wuh>I |
| German | Hinweis: Wenn Sie (Deutsche) sprechen, stehen Ihnen kostenlose Sprachhilfsdienste zur Verfügung. Rufen Sie unter 1-952-854-0795 an. |
| Cambodian | ចំណាំ៖ ប្រសិនបើអ្នកនិយាយ (ភាសា​ខ្មែរ) សេវាកម្មជំនួយខាងភាសាដោយឥតគិតថ្លៃនឹង​មាន​សម្រាប់អ្នក។ សូម​ទូរស័ព្ទទៅកាន់ 1-952-854-0795 ។ |
| Arabic | ملاحظة: إذا كنت تتحدث (العربية)، فيرجى العلم بأنه يمكنك الاستفادة من خدمات المساعدة اللغوية مجانًا. اتصل بالرقم: 1-952-854-0795. |
| French | Attention : Si vous parlez (Français), des services langagiers vous sont offerts gratuitement.  Veuillez composez le 1-952-854-0795. |
| Korean | 참고: 한국어 지원 서비스를 무료로 제공합니다. 문의전화 1-952-854-0795 |
| Tagalog | Attention:  Kung nagsasalita ka ng (Tagalog), may magagamit kang mga libreng serbisyo sa wika.  Tumawag sa 1-952-854-0795. |

**Notice Regarding “Grandfathered” Status**

This notice must accompany any Plan materials that are sent to participants.

The Sheet Metal #10 Benefit Fund believes its plan of benefits is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that the Sheet Metal #10 Benefit Fund may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventative health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Plan Administrator at Sheet Metal #10 Benefit Fund, Attn: Plan Administrator, 1681 East Cope Avenue, Suite B, Maplewood, MN 55109; (651) 770-0991. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.