



IRON WORKERS DISTRICT COUNCIL

PHILADELPHIA AND VICINITY BENEFIT FUNDS

October 2023

The Board of Trustees has made some important changes to your health benefits. The changes are described in this Summary of Material Modification (“SMM”) and are effective January 1, 2024. Please keep a copy of this SMM with your Summary Plan Description.

Default Coverage Selection – Plan A

If during open enrollment you do not timely select a health coverage plan option, or provide verification that you are enrolled in other group health coverage, you will be automatically enrolled in the Plan A single coverage option, provided your HRA Account balance is equal to or greater than the cost of three (3) months of Single Plan A coverage. If you do not select a health coverage plan option during open enrollment because you do not have an amount in your HRA Account equal to or greater than the cost of at least three (3) months of Single Plan A coverage, you will automatically be enrolled in Single Plan A coverage on the first day of the month following the month your HRA Account balance reaches the minimum required described above.

Accordingly, your Summary Plan Description is amended by removing the strikethrough text and adding the italicized text as follows:

Annual Open Enrollment: Eligible Participants with an HRA Account balance may elect a Plan option/change for the upcoming calendar year for themselves and their eligible Dependents during an annual open enrollment period. The annual open enrollment period will occur once each year beginning each November, with the elections being effective as of the following January 1st. A Participant may only elect coverage during annual open enrollment if their HRA Account balance is equal to or greater than three (3) months of the cost of coverage for the Plan Option the Participant is electing. If a Participant does not make an election for coverage *during open enrollment, or provide verification that the Participant is enrolled in other group health coverage, the Participant will automatically be enrolled in Plan A single coverage option, provided the Participant has an amount in their HRA Account balance equal to or greater than the cost of three (3) months of such coverage. The Participant’s Dependents, if any, will not be covered under the Plan.* ~~they will not be covered under the Plan.~~

Enrollment Other than During Annual Open Enrollment: A Participant may enroll at times other than during annual open enrollment or may change their enrollment only if the following Qualifying Events occur:

1. If the Participant’s HRA Account is not sufficient to allow them to participate in the annual open enrollment, the Participant may elect coverage at any time during the Plan Year in which their HRA Account is equal to or greater than three (3) months of the cost of coverage for the Plan Option the Participant is electing. *Participants will be automatically enrolled in Plan A single coverage option effective the first day of the month following the month in which the Participant’s HRA Account is equal to or greater than three (3) months of the cost of such coverage, unless the Participant provides notification of election of a different coverage option.*

Opting Out of Plan Coverage – Administrative Fee and Ancillary Benefit Premium

If during open enrollment you indicate that you are opting out of Plan Coverage for the Plan Year, you will still have 250 HRA Credits deducted from your HRA Account balance on a monthly basis to cover



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administrative fees and to cover the premium for Life Insurance, Accidental Death and Dismemberment Coverage, weekly disability benefits and Long Term Disability benefits (for those who qualify) provided by the Plan.

Accordingly, your Summary Plan Description is amended by removing the strikethrough text and adding the italicized text as follows:

Compliance with Opt-Out Requirements: A Participant may elect to suspend his or her HRA Account by submitting a Suspension Election Form to the Fund Office before the beginning of the Plan Year. The Participant's Suspension Election will remain in effect for the entire Plan Year to which it applies, and the Participant may not modify or revoke the election during that Plan year, *absent a qualifying event entitling the Participant to special enrollment.* ~~The Participant will not receive reimbursement for any eligible medical expenses incurred during the period to which the Suspension Election applies; however, the Participant will have 250 Credits deducted from the HRA Account on a monthly basis to cover administrative fees and to cover the premium for Life Insurance weekly disability benefits and Long Term Disability benefits (for those who qualify) provided by the Plan, which are not affected by the Opt-Out.~~

Permanent Opt-Out. Participants may permanently opt out of and waive future reimbursements from the HRA Account once per year, in a time and manner determined by the Trustees. The Fund Office will maintain forms to permanently opt out of the HRA Account. If you make such an election, the Fund will discontinue contributions to your HRA Account and you will not receive reimbursements for any eligible medical expenses incurred after the opt-out election takes effect; *except 250 Credits will be deducted from your HRA Account on a monthly basis to cover administrative fees and to cover the premium for Life Insurance and weekly disability benefits provided by the Plan, which are not affected by the Opt-Out.*

Retiree Health Benefits Contribution Increase IMPLEMENTATION DELAYED UNTIL FURTHER NOTICE

Effective January 1, 2024, the monthly contribution payment is increased from \$100/month to \$300/month, subject to annual adjustment.

Accordingly, your Summary Plan Description is amended to remove the strikethrough text and add the italicized text as follows:

Monthly Contributions/Premiums for Retiree Benefits

Eligible Retirees ~~(and eligible dependents)~~ are required to pay a monthly contribution (an assessment) of ~~\$100~~ *\$300* per month. This amount of the monthly contributions is the same for single coverage as for family coverage, and is subject to change. *The monthly contribution is deducted from the Eligible Retiree's monthly pension benefit.*

Retiree Health Benefits Effective Date IMPLEMENTATION DELAYED UNTIL FURTHER NOTICE

Effective January 1, 2024 if you retire with a balance in your HRA Account as of the date of your retirement, you will continue to be covered under the Plan Option you previously selected as an active employee until the amount in your HRA Account is less than the cost of one month's premium for such Plan Option, or until you become eligible for Medicare, whichever occurs first. Once the amount in your HRA Account is less than the cost of one month's premium for the Plan Option in which you were previously enrolled, if you otherwise meet the eligibility requirements for Retiree benefits under this Plan, you will begin to be charged the monthly contribution payments described above until you are eligible for Medicare.



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Accordingly, your Summary Plan Description is amended by removing the strikethrough text and adding the italicized text as follows:

Effective Date of Retiree Health Benefits IMPLEMENTATION DELAYED UNTIL FURTHER NOTICE

If you are an Eligible Retiree and you have a balance in your HRA Account as of the date of your retirement, you are required to run out your active coverage before you will become eligible for Retiree Health Benefits. You will continue to be covered under the Plan Option you previously selected as an active employee until the amount in your HRA Account is less than the cost of one month's premium for such Plan Option, or until you become eligible for Medicare, whichever occurs first. Once the amount in your HRA Account is less than the cost of one month's premium for the Plan Option in which you were previously enrolled you will become eligible for Retiree Health Benefits. If you are an Eligible Retiree and you do not have a balance in your HRA Account as of the date of your retirement, your Retiree Health Benefits ~~for Eligible Retirees~~ become effective on the first day of the month of the effective date of your pension provided you enroll for such coverage and pay the applicable premiums. Once you become eligible for Medicare, Retiree Health Benefits are secondary to Medicare coverage.

Termination of Plan C Option

Effective January 1, 2024, "Plan C" will no longer be offered as a Plan option for coverage. Plan C coverage for all current enrollees will end as of December 31, 2023. If you are currently enrolled in Plan C, during open enrollment you will need to select either Plan A or Plan B for coverage, provided the amount of your HRA Account balance is equal to or greater than at the cost of three (3) months of coverage under the Plan option you have selected (either Plan A or Plan B).

Accordingly, your Summary Plan Description is amended by removing the strikethrough text and adding the italicized text as follows:

Enrollment Options:

Participants may enroll themselves and their Dependents based on one of three enrollment options: (1) Single coverage; (2) Participant plus one Eligible Dependent; or (3) Family Coverage. In addition, Participants will have a choice of ~~three~~ two Plan Options.

All other references to "Plan C" throughout the Summary Plan Description are deleted.

This SMM is intended to provide you with an easy-to-understand description of certain changes to the Plan. While every effort has been made to make this description as complete and as accurate as possible, this SMM, of course, cannot contain a full restatement of the terms and provisions of the Plan. Except to the extent that this SMM modifies the Plan, if any conflict should arise between this summary and the Plan, or if any point is not discussed in this SMM or is only partially discussed, the terms of the Plan will govern in all cases.

The Board of Trustees (or its duly authorized designee), reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement"). The Trust Agreement and the full Plan documents are at the Fund Office and may be inspected by you free of charge during normal business hours. No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the Plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters, legal and/or factual, arising under the Plan.