

SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS & SURVIVING SPOUSES HEALTH FUND

SUPPLEMENT No. 16

To: All Participants

From: Board of Trustees

Date: February 2016

Re: Change in Spousal Enrollment Rules to Permit Delayed Enrollment and Re-Enrollment

KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION

The Board of Trustees has amended the Pensioners & Surviving Spouses Health Plan (“Plan”), effective January 1, 2016, to permit more flexibility in enrollment of a Spouse in the Plan. Here are the changes:

- 1. A Spouse need not enroll at the time of the Pensioner’s retirement.** Pensioners are currently required to enroll their Spouses in the Plan when the Pensioner retires or else forever waive the Spouse’s right to enroll sometime in the future. Effective January 1, 2016, a Pensioner who enrolls in the Plan will not be required to enroll his or her Spouse at the same time the Pensioner enrolls, if the Spouse maintains Continuous, Comparable Coverage (as defined below) from the date of retirement. If the Spouse maintains Continuous, Comparable Coverage, the Spouse may enroll in the Pensioners & Surviving Spouses Plan at later date if proof of the Continuous Comparable Coverage is submitted to the Plan. The Spouse must enroll in the Plan within 60 days of losing coverage under the other plan. The rule that a Spouse cannot enroll in the Plan unless the Pensioner is enrolled in the Plan has not changed.
- 2. Enrollment of a newly acquired Spouse may be delayed.** The rule requiring a Spouse to enroll in the Plan within 90 days of the date of marriage to a Pensioner has been modified to permit delayed enrollment of a Spouse if the Spouse has had Continuous Comparable Coverage (as defined below) from the date of marriage and enrolls in the Pensioners & Surviving Spouses Plan within 60 days of losing such coverage. If the Spouse does not have Continuous Comparable Coverage, the Spouse must be enrolled within 90 days from the date of marriage, or forever waive the right to enroll in the Plan. At the time of enrollment, the Spouse must present proof of Continuous, Comparable Coverage. The Spouse will not be permitted to enroll in the Plan if the Pensioner is not enrolled.
- 3. A Spouse may dis-enroll with a right to return to the Plan at a later date.** Under the current rule, a Spouse may only dis-enroll from the Pensioners & Surviving Spouses Plan, while preserving the right to re-enroll at a later date, if the Pensioner also dis-enrolls. Under the new rule, a Spouse will be able to dis-enroll and re-enroll at a later date, even if the Pensioner remains enrolled in the Plan, if the Spouse maintains

Continuous, Comparable Coverage (as defined below) during the period the Spouse is dis-enrolled in the Plan. The Spouse will be able to re-enroll in the Plan at a later date if proof of Continuous Comparable Coverage is submitted to the Plan. The Spouse must enroll in the Plan within 60 days of losing coverage under the other plan. The Spouse will not be permitted to enroll in the Plan if the Pensioner is not enrolled.

“Continuous Comparable Coverage” means enrollment, that has not lapsed for more than 60 days, in a plan offering minimum essential coverage under the Affordable Care Act, a Medicare Advantage Plan (HMO, PPO or Private Fee-For-Service plan) or a Medicare Supplemental (Medigap) Plan.

The above rule changes also apply to enrollment of Domestic Partners.

These changes amend the Summary Plan Description in Section 4 (C)(i) at page 112, Section 5(C)(iii) at page 113 and Section 7(C)(iv) at page 116.