



SOUTHERN CALIFORNIA PIPE TRADES HEALTH & WELFARE FUND

(Active Plan)

SUPPLEMENT No. 5

To: All Participants

From: Board of Trustees

Date: September 2026

Re: Establishing, Re-establishing, and Maintaining Eligibility

KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION

Effective September 1, 2026, the standard employer contribution rate for health benefits under Collective Bargaining Agreements with District Council No. 16 will change from \$9.36 to \$10.11 and \$10.93 to \$10.22 respectively, please refer to your CBA to determine which rate applies to you. The allocation of these contributions is as follows:

	<u>Before September 1</u>	<u>Effective September 1</u>
Health & Welfare Fund		
Base Contribution (used to calculate eligibility)	\$7.66	\$8.36
Health Reimbursement Arrangement	\$1.10	\$1.15
Pensioners & Surviving Spouses Health Fund	\$0.60	\$0.60
Total	\$9.36	\$10.11

Or

	<u>Before September 1</u>	<u>Effective September 1</u>
Health & Welfare Fund		
Base Contribution (used to calculate eligibility)	\$7.66	\$8.36
Health Reimbursement Arrangement	\$1.10	\$1.10
ExHealth Fund	\$2.17	\$0.76
Total	\$10.93	\$10.22

The only exception to this will be when your employer has agreed to the master labor agreement extended through 2029, but has exempt jobs that were started or bid before September 1, 2026, for which the pre-September contribution rate of \$7.66 toward Base Contributions and \$1.10 for Health Reimbursement Arrangement still applies. Hours on these exempt jobs will be treated as if Base Contributions are made at \$8.36 for eligibility purposes.

NOTE: These changes do not materially change the number of hours you must work to become eligible or to maintain eligibility if your employer is paying the standard contribution rate for health benefits under Collective Bargaining Agreements with District Council No. 16. However, except as otherwise provided above for exempt jobs that were started or bid prior to September 1, 2026, the updated contribution rates

will proportionately increase the dollar amounts reflected in the following sections of your Summary Plan Description effective September 1, 2026:

- 4(A) Establishing and Re-establishing Eligibility;
- 4(H) Health Coverage for Employees Transitioning from other Employer-Sponsored Health Coverage; Methods by which Transitioning Employees May Become Eligible; Negative Bank; and
- 6(J) Election of Additional Contributions from Eligibility Bank.

This Southern California Pipe Trades Health & Welfare Fund believes this Active Plan 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 Active Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive 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 Trust Fund Office administrator at (800) 595-7473. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or <https://www.healthcare.gov/health-care-law-protections/grandfathered-plans/>. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

KEEP THE FUND OFFICE INFORMED OF YOUR ADDRESS.

If the Fund office does not have your current address, you will not be informed about important changes to your benefits and you may not receive all the benefits to which you are entitled. You can obtain a Change of Address Form from www.scptac.org, or from the Fund office or your Local Union office. You may also use this QR code to complete a Change of Address Form.

You should also promptly advise the Fund office of any change in your family status, such as marriage, divorce, or death.

