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October 2013

THE STEAMFITTERS' INDUSTRY WELFARE FUND

SUMMARY OF MATERIAL MODIFICATION TO THE SPD/PLAN DOCUMENT

IMPORTANT BENEFIT ANNOUNCEMENT REGARDING YOUR HEALTH COVERAGE

This summary of material modification ("SMM") describes changes to the Steamfitters' Industry Welfare Fund and supplements the SPD/Plan Document. The effective date of each of these changes is January 1, 2014. You should read the SMM very carefully and retain this document with your copy of the SPD/Plan Document for future reference.

ACTIVE & NON-MEDICARE RETIREES

◆ Empire BlueCross Blue Shield EPO

The co-payment on all office visits, including those for specialists, chiropractors, and mental health/alcohol and substance abuse treatment will be decreased from \$30 to \$20. In addition, cardiac rehabilitation and physical, occupational, speech and vision therapy will be decreased to \$20 per visit.

Please keep in mind that the EPO only has in-network benefits. Empire will be issuing new ID cards in the latter part of December.



◆ Express Scripts

All mail order, also known as home delivery, prescription co-payments will be decreased from \$60 to \$40 for a 90 day fill or re-fill. All other aspects of the prescription drug coverage remain unchanged.

ALL PARTICIPANTS (ACTIVE & RETIRED)

◆ MetLife Dental

The maximum benefit per calendar year will increase from \$2,000 to \$3,000 per covered member or dependent.

The orthodontic treatment aggregate lifetime maximum benefit per covered child will increase from \$2,000 to \$3,000.

All other aspects of the dental coverage remain unchanged.

◆ Vision Care

The annual vision care benefit will increase from \$100 to \$300. The date of service or purchase must be after January 1, 2014 in order for you to qualify for the \$300 maximum benefit, not the date you submit the benefit application.

Any unpaid balance of your or your qualified dependent's vision care expenses not covered by the Welfare Fund may be submitted to the Health Reimbursement Account if you have available monies.

◆ Hearing Aid Benefit

The hearing aid benefit, which is solely a reimbursement towards the cost of purchasing a hearing aid, will be increased from \$200 per calendar year to \$1,000. The date of purchase must be after January 1, 2014 in order for you to qualify for the \$1,000 maximum benefit, not the date you submit the benefit application. This benefit cannot be used for the cost of repairs to a hearing aid or for batteries.

Any unpaid balance of your or your qualified dependent's hearing aid expenses not covered by the Welfare Fund may be submitted to the Health Reimbursement Account if you have available monies.

REVISED ELIGIBILITY RULES FOR RETIREE HEALTH COVERAGE

■ **“Regular Pension” Retiree Health Coverage Eligibility (age 60+)**

In order to qualify for regular pension retiree lifetime health coverage, a participant must have:

- a. earned 20 years of credited service in the Steamfitters’ Industry Pension Fund, and
- b. worked at least a total of 30,000 aggregate life-time hours in the construction trades division, and
- c. be covered in the Welfare Fund the day before the pension effective date or 20 of 40 quarters immediately prior to the pension effective date.

■ **“Disability Pension” Retiree Health Coverage Eligibility**

In order to qualify for any type of disability pension retiree lifetime health coverage, a participant must have:

- a. earned 15 years of credited service in the Steamfitters’ Industry Pension Fund, and
- b. worked at least a total of 22,500 aggregate life-time hours in the construction trades division, and
- c. be covered in the Welfare Fund the day before the pension effective date or 20 of 40 quarters immediately prior to the pension effective date.

■ **“Early Pension” Retiree Health Coverage Eligibility (age 55-59)**

In order to qualify for early pension retiree lifetime health coverage, a participant must have:

- a. earned 30 years of credited service in the Steamfitters’ Industry Pension Fund, and
- b. worked at least a total of 30,000 aggregate life-time hours in the construction trades division, and
- c. be covered in the Welfare Fund the day before the pension effective date or 20 of 40 quarters immediately prior to the pension effective date.

In order to qualify for early pension retiree limited health coverage (coverage for participant or dependents only until the earliest of age

65 or Medicare eligibility; if participant coverage terminates, coverage for all dependents simultaneously terminates), a participant must have:

- a. earned 20-29 years of credited service in the Steamfitters' Industry Pension Fund, and
- b. worked at least a total of 30,000 aggregate life-time hours in the construction trades division, and
- c. be covered in the Welfare Fund the day before the pension effective date or 20 of 40 quarters immediately prior to the pension effective date.

■ **General Rule for All Types of Retiree Health Coverage**

Your retiree health coverage status is determined (that determination may include "no coverage" if you do not meet the criteria) as of the date of your retirement. Furthermore, your coverage status remains intact and unalterable after your date of retirement regardless of any future employment activity.

REVISED ELIGIBILITY RULES FOR ACTIVE HEALTH COVERAGE

● **Quarterly Eligibility "Extension"**

As a consideration to concerns about construction industry employment, at the first quarterly review in which your aggregate hours fall below 1,000, but exceed 799 hours, you will be granted a one quarter automatic "extension" of your eligibility. This "extension" will occur only once in your career. Thereafter, you must have or exceed 1,000 hours on a four rotating quarter basis to gain or maintain health and welfare coverage.

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Should you have any questions regarding this benefit announcement or about any aspect of your employee benefit programs please contact the Fund Office at 212.465.8888.

**THE TRUSTEES OF THE  
STEAMFITTERS' INDUSTRY WELFARE FUND**

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