CENTRAL LABORERS' WELFARE FUND

SUMMARY OF MATERIAL MODIFICATIONS

AMENDED PLAN LANGUAGE

On September 13, 2022, the Trustees of the Central Laborers' Welfare Fund adopted the following changes to the Fund's Plan provisions, with an effective date as noted:

The Summary Plan Description, specifically the section of the Summary Plan Description entitled "Getting Married" (effective July 1, 2022):

Getting Married

When you get married, your spouse may become eligible for medical, prescription drug, vision, hearing care and dental care benefits. If your spouse has comparable coverage under his or her employer's plan, your spouse should enroll for that coverage and must do so before this Plan will provide or coordinate benefits for your spouse.

You need to notify the Fund Office of your marriage and provide the necessary documentation within 31 days of the date of your marriage to have your spouse covered from that date. If you notify the Fund Office after 31 days, your spouse's coverage will be effective on the first day of the month following receipt of the documentation by the Fund Office.

(Please note – If your spouse works full time and has medical coverage offered through his or her employer, he or she **must enroll in that employer's comparable plan before any medical benefits can be paid under this Plan. This provision does not apply to the spouse of a Retiree who becomes independently eligible for Retiree benefits. (see page 22)

The Summary Plan Description, specifically the section of the Summary Plan Description entitled "Your Spouse or Dependent Loses a Job or Takes a New Job" (effective July 1, 2022):

Your Spouse or Dependent Loses a Job or Takes a New Job

When your spouse or Dependent children loses employer-provided insurance due to the loss of his or her job, you should contact the Fund Office to add your spouse or children to your coverage.

If your spouse takes a new job and your spouse's new employer offers comparable coverage to this Plan or comprehensive insurance, your spouse must enroll in that coverage before this Plan will provide or coordinate benefits for your spouse. Please contact the Fund Office if your spouse accepts a new job. This provision does not apply to the spouse of a Retiree who becomes independently eligible for Retiree benefits. (see page 22)

If your Dependent child obtains new health insurance coverage, you will need to provide the Fund Office with information about the new benefit plan.

When your spouse or Dependent loses a job, you may:

- ❖ add your spouse to your coverage; and
- ❖ add your Dependent children to your coverage.

When your spouse or Dependent child takes a new job, you should provide information about the new plan to the Fund Office.

Please note: If your spouse's employer offers comparable coverage to this Plan or comprehensive insurance, your spouse must enroll in that coverage before this Plan will coordinate benefits. This provision does not apply to the spouse of a Retiree who becomes independently eligible for Retiree benefits. (see page 22)

Family and Medical Leave of Absence

Under the Family and Medical Leave Act of 1993 (FMLA) in certain circumstances you may be able to take up to 12 weeks of unpaid leave from your employment during any 12-month period due to:

- the birth of a child or placement of a child with you for adoption or foster care;
- the care of a seriously ill spouse, parent or child; or your serious Illness.

Under FMLA, eligibility for benefits must be extended to you and your Dependents if:

- you are an eligible active Participant;
- you have been granted leave by your employer under FMLA; and your employer makes the required contributions to the Welfare Fund.

FMLA leave is generally granted for the following reasons:

- ❖ birth, adoption or placement of a child with you for adoption;
- ❖ care of a seriously ill spouse, parent or child; or

The Summary Plan Description, specifically the section of the Summary Plan Description entitled "Retirees" (effective July 1, 2022):

Retirees

The Plan provides welfare benefits for you and your eligible Dependents if you retire with a pension or you become disabled and retire with a disability pension from the Central Laborers' Pension Fund or another Fund that has entered into an agreement with the Central Laborers' Welfare Fund. Eligibility requirements are shown below.

Retiree Eligibility

You and your Dependents are eligible for Retiree benefits if you:

- meet the definition of Retiree (see page 97);
- have been eligible for at least 5 consecutive years under the Central Laborers' Welfare Fund immediately before the effective date of your eligibility for a service pension, OR, if you received workers' compensation benefits, in lieu of receiving an Occupational Disability Benefit, continuously from your date of disability through the date your service pension starts or until resumption of laborer's (or covered) work during said 5 years immediately before the date of your retirement;
- are not eligible for Medicare; and
- make proper and timely self- payments to the Welfare Fund for your coverage.

Should you retire and not meet the eligibility requirements because you are eligible for Medicare, your spouse may be eligible for your Retiree benefits if you:

- meet the definition of Retiree (see page 97);

And your spouse:

- is not eligible for Medicare; and
- makes proper and timely self-payments to the Welfare Fund for his or her coverage.

You, or your spouse if he or she becomes independently eligible for Retiree coverage, must provide an Open Enrollment Application for Retiree benefits and make the required self-payment on or before the deadline date printed on your self-payment notice.

Please note, if your spouse works full-time, but becomes independently eligible for Retiree coverage under the above example, he or she would not be required to enroll in an employer's comparable medical coverage plan before any medical benefits can be paid under this Plan. (see page 22)

The Trustees determine, from time to time, the amount of self-payments for single/family coverage. You are required to make self-payments on a quarterly basis for Retiree benefits. To maintain coverage, you must make quarterly payments on or before the first day of the quarter (January 1, April 1, July 1, and October 1).

The Summary Plan Description, specifically the section of the Summary Plan Description entitled "Retiree Dependent's Eligibility" (effective July 1, 2022):

Retiree Dependents' Eligibility

Generally, eligible Dependents under the Retiree plan are the same as eligible Dependents under the active plan. In addition, your spouse is eligible for Retiree benefits if you are no longer eligible for Retiree benefits because you have become eligible for Medicare or in the event of your death. If your spouse becomes, independently eligible for Retiree benefits because you become eligible for Medicare or in the event of your death, then the plan provision requiring a spouse who works full time to enroll in the employer's comparable medical plan, will no longer apply. (See page 10 for more details regarding the specified rule)

If your spouse is covered for Retiree benefits, your eligible Dependent children are also eligible for Retiree benefits. If your spouse is not eligible for Retiree benefits, or if you have no spouse, your Dependent children are not eligible for Retiree benefits, but may continue coverage through COBRA Continuation Coverage (see page 23).

Retiree Benefit Exclusions

The following benefits, available to active Participants, are not available to Retirees:

- Loss of Time Benefit;
- Death Benefit; and
- Accidental Death and Dismemberment Benefit.

Termination of Retiree Benefits

Retiree benefits will terminate when the first of the following occurs:

- A Retiree becomes eligible for Medicare for any reason, including age;
- the Plan is discontinued;
- you are no longer entitled to receive a pension from the Central Laborers' Pension Fund; or
- you do not make the required self-payment.

Your Dependents' Retiree benefits end when the first of the following occurs:

- they no longer meet the definition of a Dependent;
- the Plan is discontinued;
- you are no longer entitled to receive a pension from the Central Laborers' Pension Fund;
- the required self-payment is not made; or
- your Dependent becomes eligible for Medicare.

Retiree coverage for your Dependent children ends when your Dependent spouse is no longer eligible for Retiree coverage.

The Summary Plan Description, specifically the section of the Summary Plan Description entitled "Coordinaton of Benefits" (effective July 1, 2022):

- any amount reduced from a primary plan's allowable expenses when that reduction is related to the failure of the plan Participant to comply with the primary plan's utilization review procedures or the Participant's failure to obtain health care service from the primary plan's network providers.

Although payments by this Plan cannot be more than would normally be paid if the COB rules did not exist, your combined reimbursement may exceed the maximum under this Plan, but cumulative payments by this Plan will not exceed the maximum allowed for any benefit defined in this booklet.

"Plan" means any plan providing benefits or services for or by reason of medical, prescription drug, vision, hearing or dental or treatment or healing under:

- group insurance;
- group practice, group Blue Cross, group Blue Shield, individual practice offered on a group basis or other group prepayment coverage;
- labor-management trustee plans, union welfare plans, employer organization plans or employee benefit organization plans; or
- governmental programs or coverage required or provided by any statute.

Keep in mind that if your full-time working spouse has coverage offered through his or her employer, then your spouse must enroll in that coverage to have secondary coverage under this Plan. However, the COB rules will not apply and your spouse will have no coverage under this Plan if your spouse does not enroll in his or her employer's coverage. Note, this provision does not apply to the spouse of a Retiree who becomes independently eligible for Retiree benefits. (see page 22)

To administer the COB rules properly, and to determine whether this Plan will reduce its regular benefits, it is necessary to determine the order in which the various plans will pay benefits. The order in which the plans will be considered to pay benefits is determined by the first of the following rules that apply:

- When another plan does not have coordination of benefits rules (COB rules), that plan must pay benefits first.
- When another plan has COB rules, the first of the following rules that apply determine which plan will pay benefits first:
  - If a plan covers the claimant as an employee, then that plan will pay benefits first.
  - If a plan covers the claimant as a Dependent whose parents are not divorced or separated, the plan of the parent whose birthday anniversary is earlier in the calendar year will pay on allowable expenses incurred first; except if both parents' birthdays are on the same day, the plan covering the parent for the longer period of time will pay first. If a plan does not adhere to the "birthday rule" in determining the order of benefits, then that plan must pay first.

- If a plan covers a Dependent whose parents are divorced or separated, then the following rules apply:
  - If a plan covers a Dependent of a parent who is ordered by court decree to provide health coverage, then that plan pays benefits first. If the parent with responsibility has no health care coverage for the Dependent's health care expenses, but that parent's spouse does, that parent's spouse's plan is the primary plan;
  - If a court decree charges each parent with equal responsibility to provide health coverage for a Dependent, then the birthday rule will apply so that the parent whose birthday anniversary is earlier in the calendar year pays first; except that if both parents' birthdays are on the same

The Summary Plan Description, specifically the section of the Summary Plan Description entitled "Definitions":

Retiree means an Employee who was covered under the Central Laborers' Welfare Fund for at least 5 consecutive years immediately prior to his or her retirement and who qualifies for a pension under the Central Laborers' Pension Fund, or with proof of receipt of a pension from another Fund, either by reason of having attained retirement age or by reason of having attained disability pension status.

The Central Laborers' Welfare Fund's online Summary Plan Description has been updated with the amended language above. You may request a hard copy of the Summary Plan Description by contacting the Fund Office at 1-800-252-6571

GRANDFATHERED PLAN NOTICE

THE CENTRAL LABORERS' WELFARE FUND ("FUND") BELIEVES THAT IT 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 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 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. THE FUND WILL NOTIFY YOU WHEN CERTAIN OTHER CONSUMER PROTECTIONS ARE ADOPTED.

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 WELFARE FUND DIRECTOR, CYNTHIA SMITH-BRANNAN, AT 1-800-252-6571. 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. THE WEB SITE HAS A TABLE SUMMARIZING WHICH PROTECTIONS DO AND DO NOT APPLY TO GRANDFATHERED HEALTH PLANS.