May 2017

The Board of Trustees is pleased to announce the following new benefit, which will be available for you to use beginning January 1, 2018.

A new Health Reimbursement Account (“HRA”) is being established starting with contributions for hours worked starting June 2017. $0.50 per hour you work will go into an HRA account. Starting January 1, 2018, you will be able to use your HRA account to obtain reimbursement for IRS approved medical expenses not paid by the Plan, such as your deductible or prescription drug copays. You can also choose to let this account grow over the years to use for medical expenses and self-payments when you retire.

A formal Summary of Material Modification (“SMM”) that explains the new benefit in detail will be sent to you later this year. Please note, reimbursements received under the HRA benefit are not taxable, meaning that when you submit a claim and receive reimbursements from the Plan, the money is not subject to any tax. Thus, your HRA dollars will go further than your after tax pay. 

Sincerely,
The Board of Trustees

Notice Regarding Grandfathered Status

The Trustees of the Pipe Fitters’ Welfare Fund, Local 597 believe this 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 your 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 Fund Office, 45 North Ogden, Chicago, IL 60607, telephone 312-633-0597. 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. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

1 The HRA benefit is subject to limitations and exclusions that will be described in detail in the forthcoming SMM.