APRIL 2019

TO: ACTIVE AND RETIRED PARTICIPANTS

RE: ANNUAL NOTICES / IMPORTANT INFORMATION ABOUT THE PLAN

This Notice includes annual notices the Plan is required to provide you under the Patient Protection and Affordable Care Act (“ACA”) and other Federal Laws. It also includes other reminders of various Plan rules. This is for informational purposes only. No action is necessary.

A. AFFORDABLE CARE ACT

GRANDFATHERED HEALTH PLAN
The Board of Trustees believes the Northern California Pipe Trades Health and Welfare Plan (hereafter “Plan”) is a “Grandfathered Health Plan” under the ACA. As permitted by the ACA, a Grandfathered Health Plan can preserve certain basic health coverage that was already in effect when that ACA was enacted. Being a Grandfathered Health Plan means that your Plan is not required to include certain consumer protections of the ACA that apply to other plans (known as Non-Grandfathered Plans); for example, requiring the provision of preventive health services without any cost sharing. However, Grandfathered Health Plans must comply with certain other consumer protections in the ACA, such as the elimination of annual and lifetime limits on the Plan’s Essential Health Benefits. (For a definition of what constitutes as Essential Health Benefits, please visit www.healthcare.gov/glossary/essential-health-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 Employee Benefits Security Administration, U.S. Department of Labor (DOL) at 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. Implementation of the ACA’s provision began with the July 1, 2011, Plan Year.

AVAILABILITY OF SUMMARY OF BENEFITS AND COVERAGE (“SBC”)
Group Health Plans, Insurers, and Health Maintenance Organizations (“HMOs”) are responsible for providing an SBC annually to all eligible Participants as well as to all future eligible new Participants and their Dependents upon initial and special enrollment, as well as 60 days prior to a mid-year material modification of the SBC. The SBC provides a summary of what the Plan covers and what it costs and allows you to compare the Plan’s benefit options (currently Kaiser Permanente HMO, Blue Shield of California HMO, or Blue Shield of California PPO) offered to you and/or your eligible Dependents. You have the right to request and receive within seven (7) business days an SBC for the Plan’s benefits offered through Kaiser Permanente and Blue Shield of California. If you would like to receive a copy of the SBC and/or more details about your coverage, please contact Kaiser Permanente at 800/464-4000 or Blue Shield of California at 855/256-9404.

NON-DISCRIMINATION STATEMENT
The Plan is required by the ACA to provide you with a Notice of Non-Discrimination about your rights under the law. This Plan complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. If you believe that the Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a written grievance (including an appeal) in person or by mail, fax, or email with the Plan’s Civil Rights Coordinator at the contact below.

If you have questions on the Plan’s grievance procedures or need help filing a grievance, please contact the Plan’s Civil Rights Coordinator, Kim Biagi, at 935 Detroit Avenue, Suite 242A, Concord, CA 94518-2501, Telephone: 925/356-8921, Fax: 925/356-8938, E-mail: tfo@ncpttf.com.
You can also file a grievance with Kaiser Permanente by calling 800/278-3296 or Blue Shield of California by calling 855/256-9404. For information about Kaiser or Blue Shield’s grievance procedures please refer to your Kaiser or Blue Shield Evidence of Coverage booklet.

**MINIMUM ESSENTIAL COVERAGE**
The ACA establishes a minimum value standard of benefits for health plans. The minimum value standard is 60% (actuarial value) and Grandfathered Health plans (such as this Plan) are considered minimum essential coverage. This Plan provides minimum essential coverage and meets the minimum value standard for the benefits it provides (exceeds 60%).

Depending on which Plan option you are enrolled in, Kaiser Permanente or Blue Shield of California is required to send you a statement (known as Form 1095-B) about the 2018 coverage you and/or your Dependents were enrolled in. This information is intended to help you meet your individual mandated requirement and to assist you in reporting your health coverage when you file your 2018 income tax return. Kaiser Permanente and Blue Shield of California are also required to file this Form with the IRS. If you did not receive such statement yet, please contact Kaiser or Blue Shield.

**NOTE:** For 2019, the individual penalty for failing to have adequate health coverage has been reduced to zero. This means there will no longer be a penalty assessed against individuals for failing to have health coverage. However, we believe there is little if any impact on you given that you have adequate coverage under this Plan.

**NOTICE OF RESCISSION OF COVERAGE RESTRICTIONS**
Under the ACA, the Plan and Insurers (such as Kaiser Permanente and Blue Shield of California) cannot retroactively cancel or terminate your coverage, except in cases of fraud, intentional misrepresentation of material fact, or failure to pay premiums. However, a retroactive cancellation of coverage is not considered a rescission if (1) it only has prospective effect; (2) is initiated by the covered individual; (3) due to delay in administrative record-keeping; (4) attributed to a failure to timely pay required premiums or contributions toward the cost of coverage; or (5) termination of coverage retroactive due to a divorce, if the Plan does not cover former spouses. Plans and Insurers that rescind coverage must give affected individuals at least 30 days advance notice.

**B. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (“HIPAA”)**

**AVAILABILITY OF THE NOTICE OF PRIVACY PRACTICES**

The Board of Trustees of the Plan has adopted a Notice of Privacy Practices. The Notice of Privacy Practices describes the permitted ways that the Plan uses and discloses your Protected Health Information (“PHI”), your HIPAA privacy rights, and the Plan’s legal responsibility regarding your PHI. Attached please find a copy of the Plan’s HIPAA Notice of Privacy Practices policy. A copy is also available on the Plan’s website at [www.ncpttf.com](http://www.ncpttf.com) or by contacting the Trust Fund Office to request a paper copy of the Notice at any time. The Notice is also automatically provided to you at least once every three years or when there is a material change to the Notice. NOTE: Depending on the insured coverage you are enrolled in, Kaiser or Blue Shield has its own HIPAA Notice of Privacy Practices and may also send you a copy of their own rules.

**C. NEWBORNS AND MOTHERS HEALTH PROTECTION ACT**

Under Federal Law, Group Health Plans, Health Insurance Issuers, and Health Maintenance Organizations (such as Kaiser Permanente and the Blue Shield of California HMO option) may not generally, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child less than 48 hours following a vaginal delivery, or less than 96 hours following a delivery by cesarean section. However, the Plan or Issuer (Kaiser Permanente or Blue Shield of California) may pay for a shorter stay if the attending provider (e.g., your physician, nurse, midwife, or physician assistant), after consultation with the mother, discharges the mother or newborn earlier.

In addition, under Federal Law, Plans and Issuers may not set the level of benefits or out-of-pocket costs so that any later portion of the 48-hour (or 96-hour) stay is treated in a manner less favorable to the mother or newborn than any earlier portion of the stay. A Plan or Issuer may not, under Federal Law, require that a physician or other Health Care
Provider obtain authorization for prescribing a length of stay of up to 48 hours (or 96 hours). However, to use certain providers or facilities, or to reduce your out-of-pocket costs, you may be required to obtain precertification.

For information on precertification or if you have any questions about your Plan’s coverage as it relates to childbirth or a newborn child, you may contact your selected Health Plan (Kaiser Permanente or Blue Shield of California) directly. The toll free number for Kaiser Permanente is 800/464-4000 and Blue Shield of California is 855/256-9404.

**D. ONE (1) YEAR LIMITATION PERIOD FOR FILING A LAWSUIT**

As a reminder, under the Plan’s Claims and Appeals rules, no lawsuit may be brought against the Plan and/or the Board of Trustees and/or any Individual Trustee more than one (1) year after services were provided, or benefits were partially or totally denied, or an adverse benefit determination was issued. In addition, you must first utilize the Plan’s Appeal Procedures before commencing a lawsuit, if any, against the Plan and/or the Board of Trustees and/or any Individual Trustee. Any outside entity providing services for the Plan (e.g., Kaiser Permanente, Blue Shield of California, Delta Dental of California, Vision Service Plan (“VSP”), Principal Life Insurance Company) has their own Claims and Appeals procedures, and you would need to contact them for more information.

If you are enrolled in Kaiser Permanente, Blue Shield of California, Delta Dental of California and/or VSP, please refer to the applicable Evidence of Coverage Documents for its Appeal and Grievance procedures.

**E. PREMIUM ASSISTANCE UNDER MEDICAID AND THE CHILDREN’S HEALTH INSURANCE PROGRAM (“CHIP”)**

If you or your children are eligible for Medicaid or CHIP and you are eligible for health coverage from your employer, the State you reside in may have a Premium Assistance Program that can help pay for coverage. These States use funds from their Medicaid or CHIP programs to help people who are eligible for these programs, but also have access to health insurance through their employer. If you or your children are not eligible for Medicaid or CHIP, you will not be eligible for these premium assistance programs. **NOTE: California is NO LONGER a state that provides premium assistance to help pay for Medicaid or CHIP coverage; however, the Medi-Cal Program will continue to provide health, dental, and vision benefits to California’s low-income, uninsured children. Information is available at [www.coveredca.com/medi-cal/](http://www.coveredca.com/medi-cal/).**

If you or your Dependents are already enrolled in Medicaid or CHIP and you live in a State that provides premium assistance, you can contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your Dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your Dependents might be eligible for either of these programs, you can contact your State Medicaid or CHIP office at **877/KIDS NOW** or [www.insurekidsnow.gov](http://www.insurekidsnow.gov) to find out how to apply. If you qualify, you can ask the State if it has a program that might help you pay the premiums for an employer-sponsored Plan.

If it is determined that you or your Dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under the Plan rules, you may enroll in your employer Plan if you are not already enrolled. The employer cannot stop you from enrolling. This is called a “special enrollment” opportunity, and you must request coverage within 60 days of being determined eligible for premium assistance. If you have questions about enrolling in your employer Plan, you can contact the Department of Labor electronically at [www.askebsa.dol.gov](http://www.askebsa.dol.gov) or by calling toll-free 866/444-EBSA (3272).

To find out if the State you reside in provides assistance in paying your employer health Plan premiums or for more information on eligibility, visit the Plan website at [www.ncpttf.com](http://www.ncpttf.com) for a list of participating States.

To see if any more States have added a premium assistance program since January 31, 2019, or for more information on special enrollment rights, you can also contact either:
F. WOMEN’S HEALTH AND CANCER RIGHTS ACT OF 1998

Under Federal Law, Group Health Plans, Insurers, and HMOs (such as Kaiser Permanente and the Blue Shield of California HMO option) that provide medical and surgical benefits in connection with a mastectomy must provide benefits for reconstructive surgery, in consultation with the attending physician and patient for:

- All stages of reconstruction of the breast on which the mastectomy was performed; and
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prosthesis and treatment of physical complications at all stages of the mastectomy, including lymphedemas; in a manner determined in consultation with the attending physician and the patient.

This coverage is subject to the Plan’s annual deductibles, coinsurance, and co-payment provisions (consistent with those established for other benefits under the Plan). This Plan complies with these requirements. If you have any questions about whether your Plan covers mastectomies or reconstructive surgery, you may contact your selected Health Plan (Kaiser Permanente or Blue Shield of California) directly. The toll free number for Kaiser Permanente is 800/464-4000 and Blue Shield of California is 855/256-9404.

G. RETIREE RETURNING TO COVERED EMPLOYMENT

If you are retired and considering returning to work, prior to commencing any Work After Retirement, you must submit a written request to the Board of Trustees for a determination on whether your contemplated Work After Retirement would be considered “Prohibited Employment” under Plan rules.

If you return to any type of “Prohibited Employment” your monthly Retirement Benefits will be suspended. In addition, if you retired under an Early Retirement and return to any type of “Prohibited Employment,” your Retirement Benefits will be suspended until you attain Normal Retirement Age (Age 65).

If you are eligible for Retiree Health and Welfare Benefits, and your Retirement Benefit is suspended due to returning to Prohibited Employment more than once, you will permanently lose your rights to Retiree Health and Welfare Benefits. Refer to Article XIII, Section A.9 of the SPD for more details.

When there is Full Employment, or Full Employment in certain designated positions, and the Board of Trustees establishes a Temporary Retiree Return to Work Program, special rules will apply.

Refer to the Northern California Pipe Trades Pension Plan, Suspension of Retirement Benefits Notice for additional information.

H. MEDICARE COORDINATION – YOU ARE REQUIRED TO ENROLL

Medicare is our country's federal health insurance program for people who worked at least ten (10) years in Medicare-covered employment who are age 65 or older, for people under age 65 with certain disabilities, and for people of any age who have End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant). If you are receiving Social Security Disability Income (“SSDI”) benefits, you generally become eligible for Medicare coverage 24 months after your SSDI benefits begin.

Under the Medicare program, the hospital insurance portion is called Medicare Part A, and the medical insurance portion, such as for the cost of physicians, is called Medicare Part B. Medicare Part A is financed by payroll taxes, and if you are eligible to receive, it is based on your own or your spouse's employment. You do not pay a premium. Medicare Part B is partly financed by monthly premiums paid by individuals enrolled for Medicare Part B coverage. Most working people are entitled to Medicare Part A and Part B when they reach age 65 because either they or their
spouse paid Medicare taxes while working. Failure to timely notify the Trust Fund Office of your Medicare entitlement may result in penalties.

The Plan coordinates benefits with Medicare as if you are covered under both Medicare Part A (hospital benefits) and Part B (medical benefits). This means you must enroll in both Medicare Part A and Part B, as soon as you are eligible for Medicare. If you do not enroll in Medicare (Part A and Part B), the Plan will not make up for the portion of expenses that Medicare would have paid, and you will be required to pay an additional Retiree Health and Welfare Premium, currently $275 per month.

Medicare’s prescription drug Plan (Medicare Part D) is available to Medicare beneficiaries and is part of your coverage if you are enrolled in the Retiree Health and Welfare Plan. If you earn a higher income (above $85,000 annually for individuals or above $170,000 annually for married couples), Federal Law requires that you pay an additional premium for your Medicare Part D coverage to the Social Security Administration.

This additional premium is called the Income-Related Monthly Adjustment Amount (also known as “IRMAA”). The premium is based on your modified adjusted gross income as reported on your IRS tax return from two years prior (thus, the fee in 2019 will be based on your adjusted gross income on your 2017 tax return). If you must pay a higher premium, Medicare will send you a letter with your premium amounts and the reason for their determination.

For more information on Medicare Part D or IRMAA, please call Medicare at 800/MEDICARE (800/633-4227) or visit www.medicare.gov. TTY users should call 877/486-2048. If you have any questions, please contact the Trust Fund Office at 925/356-8921 ext. 246.

I. HIPAA GROUP SPECIAL ENROLLMENT RIGHTS

Under Federal Law, if you declined enrollment for yourself and/or your Dependents (including your spouse) because of having other sufficient group health coverage, you may be able to enroll yourself and/or your Dependents in this Plan, if you or your Dependents lose eligibility for that other coverage. **However, you must request enrollment within 30 days after you or your Dependents’ other coverage ends.**

In addition, if you have a new Dependent as a result of marriage, birth, adoption, or placement of adoption, you may be able to enroll yourself and your Dependents within 30 days of marriage, birth, adoption, or placement for adoption, provided you complete and submit an Enrollment/Change Form along with any other Plan required documentation (e.g. certified marriage certificate, certified birth certificate, Court Adoption Order) to the Trust Fund Office within 30 days after the marriage, birth, adoption or placement for adoption.

The Plan will also allow a Special Enrollment opportunity if you and/or your eligible Dependents either: (1) lose Medicaid or CHIP coverage because you are no longer eligible; or (2) become eligible for a State’s Premium Assistance Program under Medicaid or CHIP. For these enrollment opportunities you will have 60 days from the date of the Medicaid/CHIP eligibility change to request enrollment in the Plan.

To request Special Enrollment information, please contact the Trust Fund Office.

J. DOMESTIC PARTNERSHIP PREMIUM PAYMENT REMINDERS

As a reminder, pursuant to the Plan rules a Participant is responsible for the timely monthly payment in full of imputed income taxes for coverage of an eligible Domestic Partner and the Domestic Partner’s child(ren). This payment is due one month in advance of the month the eligibility is provided. **Failure to pay the required payment in full by the due date may result in immediate termination of your Domestic Partner’s coverage on the last day of the month in which the payment is not received. Please contact the Trust Fund Office for more information and refer to pages 19 to 20 of the SPD for details on the Plan’s Domestic partnership eligibility rules.**
K. OTHER PLAN REMINDERS

It is your responsibility to notify the Trust Fund Office of changes to your address and/or changes in your life circumstances (e.g. divorce, separation, Dependent child ceases to be an eligible Dependent). You will be required to complete the appropriate Enrollment/Change Form or Change Request Form, both of which are available at www.ncpttf.com.

Please update your Beneficiary Designation Form when you have a change in your life circumstances. The Beneficiary Designation Form is available at www.ncpttf.com or you may contact the Trust Fund Office.

Please note, that no benefits will be paid by the Plan for fraudulent premiums, fraudulent Beneficiary Designation Forms, claims or services made by a Participant, Dependent, or any other person, for any other reasons (including, but not limited to enrolling ineligible Dependents, failing to notify the Plan that a previously eligible Dependent no longer qualifies as a Dependent, failure to timely enroll in Medicare or failure to notify the Trust Fund Office of you or your Dependent’s eligibility to enroll in Medicare). If payment is made on behalf of any person for fraudulent claims, the Participant and any person on whose behalf a fraudulent claim was submitted will be responsible for repaying the Plan.

As a reminder, the following classifications are only permitted to enroll in the Plan’s Kaiser Permanente HMO option (except under limited special circumstances):
• Residential Employees and their eligible Dependents;
• Tradesmen and Servicemen Employees and their eligible Dependents;
• Shortline Helper, and MLA Helper Employees, and their eligible Dependents; and
• U.A. National Distribution Agreement Employees, and their eligible Dependents.

Below is a list of Contacts for your convenience:

<table>
<thead>
<tr>
<th>Provider/Contact</th>
<th>Type of Benefit</th>
<th>Website</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser Permanente</td>
<td>Medical &amp; RX</td>
<td><a href="http://www.kaiserpermanente.org">www.kaiserpermanente.org</a></td>
<td>800/464-4000</td>
</tr>
<tr>
<td>Blue Shield of California</td>
<td>Medical &amp; RX</td>
<td><a href="http://www.blueshieldca.com">www.blueshieldca.com</a></td>
<td>855/256-9404</td>
</tr>
<tr>
<td>Delta Dental of California</td>
<td>Dental</td>
<td><a href="http://www.deltadentalins.com">www.deltadentalins.com</a></td>
<td>800/765-6003</td>
</tr>
<tr>
<td>Vision Service Plan</td>
<td>Vision</td>
<td><a href="http://www.vsp.com">www.vsp.com</a></td>
<td>800/877-7195</td>
</tr>
<tr>
<td>Kaufmann &amp; Goble</td>
<td>Health Reimbursement Account</td>
<td><a href="http://www.kandg.com">www.kandg.com</a></td>
<td>855/512-1170</td>
</tr>
</tbody>
</table>

If you have any questions, please contact the Trust Fund Office at 925/356-8921 ext. 246.

Respectfully submitted,
Fund Manager
On Behalf of the Board of Trustees