

**U. A. PLUMBERS LOCAL UNION NUMBER 68 GROUP PROTECTION PLAN**  
**468 LINK ROAD**  
**POST OFFICE BOX 8726**  
**HOUSTON, TEXAS 77249-8726**  
**Telephone: (713) 869-2592 Toll Free: (800) 833-2980**

## **NOTICE TO PARTICIPANTS**

The Board of Trustees of the U.A. Plumbers Local Union Number 68 Group Protection Plan (the “Plan”) runs the Plan solely in the interest of you, the participants, for the exclusive purpose of providing benefits and paying expenses of the Plan. From time to time, changes are required to the Plan to ensure its continued financial stability. The Board of Trustees has found it necessary to make the following changes to the Plan, effective January 1, 2021.

### **Change to Calendar Year Deductible**

Currently, the deductible under the Plan is \$685 per person and \$1,370 per family per calendar year. Effective January 1, 2021, the deductible will increase to \$750 per person and \$1,500 per family per calendar year.

Note: Most preventive care services and hearing aids are covered before the deductible is met.

### **Change to Out-of-Pocket Limits**

Currently, the in-network out-of-pocket limit under the Plan is \$7,350 per person after the calendar year deductible and the out-of-network out-of-pocket limit is \$27,400 per person after the calendar year deductible. Effective January 1, 2021, the in-network out-of-pocket limit will increase to \$9,000 per person after the calendar year deductible and the out-of-network out-of-pocket limit will increase to \$30,000 per person after the calendar year deductible.

Note: The in-network and out-of-network out-of-pocket limits are NOT interchangeable. Amounts applied to the in-network out-of-pocket limit may NOT be applied to the out-of-network out-of-pocket limit and vice versa.

### **Change to Maximum Dental Benefit**

Currently, there is a \$2,500 maximum dental benefit per person per calendar year. Effective January 1, 2021, the maximum dental benefit will decrease to \$2,000 per person per calendar year.

Note: Dental prophylaxis (cleaning) for children under age 18 is not subject to the calendar year maximum dental benefit.

### **Change to Initial Eligibility**

Currently, employees working under the terms of a collective bargaining agreement become eligible on the first day of the month following a period of three non-consecutive months of work in covered employment during which time the employee must have worked a minimum of 240 hours.

Effective January 1, 2021, employees working under the terms of a collective bargaining agreement become will become initially eligible on the first day of the month following a period of three non-consecutive months of work in covered employment during which time the employee must have worked a minimum of **260 hours**.

### **Change to Continuation of Eligibility**

An employee's eligibility for coverage under the Plan continues on a month-to-month basis provided he or she meets the minimum hours requirement. Currently, the minimum hours requirement is 120 hours of work in covered employment per month.

Effective January 1, 2021, the minimum hours requirement for continuation of coverage will be **130** hours of work in covered employment per month.

### **Change to Hour Bank Maximum**

Currently, the maximum number of hours that an employee may accumulate in his or her hour bank account, after deduction for the current month's coverage, is 720 hours.

Effective January 1, 2021, the maximum number of hours that an employee may accumulate in his or her hour bank account, after deduction for the current month's coverage, will be **650** hours. If, as of January 1, 2021, you have accumulated more than 650 hours in your hour bank account, you may keep those hours until they are used. However, once your hour bank account drops below 650 hours, it will be limited to 650 hours from that point forward.

### **New Short Pay Provision**

Currently, an employee who has not yet established an hour bank and is unable to work the required 120 hours per month will be allowed to "short pay." Short pay would allow the employee to pay the current contribution hourly rate for the difference between hours worked and 120 hours required, with a minimum payment of \$100.

Effective January 1, 2021, if you work fewer than the required 130 hours in a month, you will be permitted to continue coverage by paying the difference between the number of hours worked in the month and 130 hours. Your cost will be the difference between the number of hours worked in the month and 130 hours, multiplied by the current contribution rate, with a minimum cost of \$100. You will be limited to one "short pay" each calendar year.

### **Additional Changes**

The changes to initial eligibility and continuation of eligibility described above also affect the reinstatement provisions under the Plan, as well as the disability credits and military service credits under the Plan. Effective January 1, 2021, any references to 120 hours and 240 hours in these sections are replaced with 130 hours and 260 hours, respectively.

## **PLAN'S STATUS AS A "GRANDFATHERED HEALTH PLAN"**

The U.A. Plumbers Local Union Number 68 Group Protection Plan (the Plan) believes this Plan is a "grandfathered health plan" under 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 at:

U.A. Plumbers Local Union Number 68 Group Protection Plan  
468 Link Road  
Post Office Box 8726  
Houston, Texas 77249-8726  
Telephone: (713) 869-2592 Toll Free: (800) 833-2980

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](http://www.dol.gov/ebsa/healthreform). This website has a table summarizing which protections do and do not apply to grandfathered health plans.

If you have any questions concerning this notice, please contact the Fund Office.

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Your receipt of this Notice is not a certification that you are eligible to receive any benefits under the Plan. You must satisfy the Plan's eligibility requirements to receive benefits. If you have any questions, please contact the Fund Office.