

# *International Brotherhood of Electrical Workers Local Union 683*

IBEW Local 683 Health and Welfare Trust  
IBEW Local 683 Pension Fund Pension Plan Trust Fund  
IBEW Local 683 Profit Sharing Annuity Plan  
IBEW Local 683 Educational Trust Fund



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TIC INTERNATIONAL CORPORATION

December 2018

## **IMPORTANT NOTICE**

This is an important notice to all Participants in the I.B.E.W. Local No. 683 Health and Welfare Plan (“Health Plan”). Effective January 1, 2019, the Health Plan’s Board of Trustees has established a health reimbursement arrangement (“HRA”) for individuals who satisfy the HRA’s eligibility requirements. In general, an HRA is an Internal Revenue Service-approved, employer-funded health benefit that allows eligible employees to obtain reimbursements on a nontaxable basis for their out-of-pocket medical expenses and health insurance premiums. Over the years, HRAs have become a popular way for individuals to save money on their health care expenses.

The following question-and-answer guidance will help you understand the Health Plan’s new HRA feature.

### **Q.1 Who is eligible to have an HRA account?**

A.1 Members of IBEW Local 683 who are covered by a collective bargaining agreement that provides for participation in the HRA are eligible to have an HRA account. Non-bargained employees (for example, office and salary) and bargained employees whose collective bargaining agreement does not specifically provide for participation in the HRA are not eligible.

### **Q.2 Is HRA eligibility determined in the same way as eligibility to participate in the Health Plan?**

A.2 No. Eligible employees become eligible to participate in the HRA and begin accruing contributions to their HRA account with the first hour of employer contributions made on their behalf. Unlike the Health Plan, the HRA does not require you to have a minimum amount of employer contributions paid on your behalf during a period of consecutive months in order to begin participation.

### **Q.3 How is my HRA account funded?**

A.3 Your HRA account is funded solely by employer contributions. No employee contributions to your HRA account are permitted. It is contemplated that beginning with hours worked in 2019, participating employers will contribute to each eligible member’s HRA account at a rate of \$0.30 per hour worked. The money in your HRA account will become available as employer contributions are received by the Health Plan’s trust fund.

### **Q.4 Will my coverage under my HRA continue after termination of employment, retirement, or disability?**

A.4 Yes. In general, coverage will continue until the balance in your HRA account has been exhausted, whether you have terminated employment, retired, or are on disability. Your coverage will also continue if you are paying premiums under the Consolidated Omnibus Budget Reconciliation Act (“COBRA”) to maintain your eligibility under the Health Plan.

**Q.5 Will my spouse or dependent be eligible for benefits under the HRA while I am active, retired, or deceased? If so, how will the terms “spouse” and “dependent” be defined?**

A.5 Yes, under the HRA, reimbursements for eligible out-of-pocket medical expenses and health insurance premiums incurred by your spouse and/or eligible dependent(s) are permitted, whether you are active, retired, or deceased. The terms “spouse” and “dependent” are defined the same as they are under the Health Plan.

**Q.6 What happens if I lose my eligibility to participate in the Health Plan? Will I have to forfeit the balance in my HRA account?**

A.6 No. The balance in your HRA account will remain available to you for reimbursement after your loss of eligibility (unless you engage in non-union employment in the electrical trade locally or your HRA account is completely inactive, without any employer contributions or reimbursements, for three years).

**Q.7 Is there a maximum HRA balance that can be carried forward from year to year?**

A.7 No, there is no maximum. Your entire HRA balance may be carried forward from one year to the next.

**Q.8 Can unused funds in my HRA account be forfeited?**

A.8 Yes. Unused HRA account funds are subject to forfeiture in four situations:

- if you die and are not survived by a spouse or any dependents
- if you die and your surviving spouse and all your dependents die without exhausting the balance in your HRA account
- if you engage in non-union employment (see Q&A 6. above)
- if your HRA account is completely inactive for three years (see Q&A 6. above)

**Q.9 What kinds of medical expenses are eligible for reimbursement from my HRA account?**

A.9. Most ordinary medical expenses, including office visits, lab tests, hospital bills, prescription drugs, health insurance premiums, and self-payments to the Health Plan, are eligible for reimbursement from your HRA account. For a complete list of eligible reimbursable expenses, refer to Internal Revenue Service Publication 502.

**Q.10 Besides self-payments to the Health Plan, what kinds of health insurance premiums are eligible for reimbursement from my HRA account?**

A.10 Health insurance premiums for coverage under the following types of health care plans are

eligible for reimbursement:

- employer-sponsored group health plan coverage
- COBRA health care continuation
- long-term health care coverage
- health care coverage under Medicare Parts A, B, or D
- Medigap insurance coverage

**Q.11 What kinds of documentation will I be required to provide in order to substantiate my claim for reimbursement from my HRA account?**

A.11 To obtain a reimbursement for a medical expense, you will need to complete an approved HRA claim form (copy attached) and submit it to the plan administrator. The form will ask you to provide the following information:

- the name of the person(s) who incurred the medical expense
- the nature and date of the incurred expense
- the amount you are requesting to be reimbursed
- a statement that the expense is not covered by any other plan under which you receive employer-sponsored group health care coverage and is not reimbursable through any other source.

When you submit your claim form, you will also need to provide any bills, invoices, statements or other documentation issued by a third party evidencing the incurred expense and the amount that was charged by the health care provider. If your reimbursement claim is incomplete, you will be given 45 days to provide the information or documentation needed to process your claim.

**Q.12 Where do I submit my claim for reimbursement from my HRA account?**

A.12 Please submit your HRA reimbursement claim and any documentation supporting your claim to the following address:

IBEW Local 683 Health and Welfare Plan HRA  
6525 Centurion Drive  
Lansing, Michigan 48917

**Q.13 Are medical expenses incurred before January 1, 2019 eligible for reimbursement from my HRA account?**

A.13 No. Only medical expenses incurred on or after January 1, 2019 are eligible for reimbursement.

**Q.14 Is there a time limit for submitting my claim for reimbursement from my HRA account?**

A.14 Yes. All reimbursement claims must be submitted within one year after the date of service.

**Q.15 To receive a reimbursement from my HRA account, does my reimbursement claim have to total a certain minimum amount?**

A.15 Yes. There is a \$50.00 minimum unless your HRA account balance is less than \$50.00. If your HRA account balance is less than \$50.00, the \$50.00 minimum is waived. In either case, you will be reimbursed by a check made payable to you.

**Q.16 What happens if my HRA account does not have enough money to pay my claim for reimbursement in full?**

A.16 In such cases, your claim will be reimbursed up to the amount remaining in your HRA account.

**Q.17 Will the plan administrator automatically deduct deductibles and coinsurance from my HRA account, or will I be able to choose which claims are paid from my HRA account?**

A.17 You must choose which claims are paid from your HRA account. However, insurance premium payments can be auto-deducted from your HRA account as long as you sign a form giving your consent to the auto-deduction.

**Q.18 What happens if my claim for reimbursement is denied?**

A.18 If your reimbursement claim is denied, in whole or in part, you may appeal the denial in accordance with the Health Plan's standard appeals procedures.

**Q.19 If I have questions about the HRA or my HRA account, whom should I call?**

A.19 If you have questions, please contact the Health Plan's Third Party Administrator at (517) 321-7502 or toll free at (844) 683-0683.

Sincerely,

IBEW 683 Welfare Trust Fund  
Board of Trustees