PLUMBERS AND PIPEFITTERS LOCAL UNION 9 WELFARE & SURETY FUNDS

QUICK REFERENCE GUIDE

FOR RESIDENTIAL & NON-BARGAINING EMPLOYEES – PLAN B

EFFECTIVE: JANUARY 1, 2018

Important Notice: This is an outline of the principal plan provisions of the Plumbers & Pipefitters Local Union 9 Welfare, Pension and Surety Plans and is not intended to completely describe the Plan provisions. In the event of any discrepancy between this outline and the Plans, the Plan Documents shall govern. For further information, please review your Summary Plan Description or contact the office of the Administrator, I. E. Shaffer & Co., at P. O. Box 1028, Trenton, NJ 08628. Telephone 1-800-792-3666.

PLUMBERS & PIPEFITTERS LOCAL UNION 9 WELFARE FUND

Effective November 1, 2017

ELIGIBILITY RULES

As a Residential Employee, you will become eligible to receive benefits on the first day of the second calendar month that follows the completion of at least 350 hours of service within a period of not more than 12 consecutive calendar months.

If You Have 350 Hours During the Prior:	You Will Become Eligible:
December through November	January 1
January through December	February 1
February through January	March 1
March through February	April 1
April through March	May 1
May through April	June 1
June through May	July 1
July through June	August 1
August through July	September 1
September through August	October 1
October through September	November 1
November through October	December 1

To maintain your eligibility thereafter, you must have at least 350 hours of service each calendar quarter. Your eligibility will terminate on the last day of the second month following the calendar quarter during which you fail to receive credit for at least 350 hours.

If You Have Less Than 350 Hours of Credit Between:	Your Eligibility Will Terminate On:
January 1 – March 31	May 31
April 1 – June 30	August 31
July 1 – September 30	November 30
October 1 – December 31	February 28 (29)

Hours of service in excess of the hours required to establish and maintain eligibility will be placed in a reserve and will accumulate up to a maximum of 350 hours. This reserve will be drawn upon to maintain your eligibility if you should fail to receive credit for at least 350 hours of service during a subsequent calendar quarter.

If you become disabled while eligible, you will be credited with 27 disability hours for each week that you are disabled up to a maximum of 700 hours for any one continuous period of disability.

Should your eligibility terminate, it will be reinstated provided you are credited with at least 350 hours of service during a calendar quarter which ends within 10 months after your eligibility terminated. Your eligibility will reinstate on the first day of the second month following that calendar quarter during which you meet this 350 hour requirement.

Termination Date:	**Period of Time to Work a Total of 350 Hours (Plus any Remaining Reserve Hours) To Reinstate:**
February 28 (29)	January 1 – December 31
May 31	April 1 – March 31 of the next year
August 31	July 1 – June 30 of the next year
November 30	October 1 – September 30 of the next year

Your eligibility will reinstate on the first day of the second month following that calendar quarter during which you meet this 350 hour requirement.

If You Are Credited with Your Required 350th Hour to Reinstate Between:	**Your Eligibility Will Reinstate On:**
January 1 – March 31	May 1
April 1 – June 30	August 1
July 1 – September 30	November 1
October 1 – December 31	February 1

SELF-PAY PROVISION

A self-pay option is available to employees who terminate coverage and who missed maintaining their eligibility by **100 hours or less**. In this event, you have the opportunity to make contributions on your own behalf to the Welfare Fund for the hours necessary to meet the 350 hour requirement at the normal employer hourly contribution rate. For example, if you have 150 hours of service during a calendar quarter, and you have 110 remaining reserve hours, you will have a total of 260 hours towards the requirement of 350 hours leaving you short of

the requirement by 90 hours. In this situation, you would be permitted to make a contribution on your own behalf for the 90 hours at the hourly employer contribution rate, to maintain your eligibility for an additional three (3) months.

COBRA

Following your retirement or if you fail to satisfy the above requirements and lose eligibility, you and your dependents may continue coverage under COBRA for up to 18 months (29 months if you are totally disabled). If your dependent loses eligibility due to your death, divorce or legal separation, or your child ceasing to satisfy the definition of an eligible dependent, they may continue coverage under COBRA for up to 36 months. Your accumulated reserve hours will be applied before self-pay is required. The current monthly self-pay rates for the full plan under COBRA are:

	Employees Not Available or not Working in the Industry	Employees Available or Working in the Industry
Single	$ 685.00	$ 490.00
Parent/Child(ren)	$1,030.00	$ 730.00
Family	$1,370.00	$ 975.00

DEPENDENT COVERAGE IN THE EVENT OF YOUR DEATH

Following your death your dependents will remain eligible for health benefits until the earliest of the following dates:

1. The last day of a period of twelve (12) months following your death or to the extent that your reserve hours are sufficient to maintain your eligibility, whichever is longer.
2. The date your spouse remarries.
3. The date your dependent becomes eligible for similar benefits under other group coverage.
4. The date your dependent children attaining the maximum eligible age

Once the 12 month period of “free” coverage expires, your dependents may continue their coverage under COBRA as described above. If your surviving spouse is eligible for Medicare, the cost of the continued coverage is $394 per month. Also, should the surviving spouse remarry, the self-pay privilege ends upon the end of the 36 month period or the date of marriage, if later.

TYPES OF BENEFIT PLANS OFFERED BY THE WELFARE FUND

- **Medical** – See following pages for plan information
- **Dental** – See following pages for plan information
- **Prescription** – See following pages for plan information
- **Vision** – See following pages for plan information
- **Hearing** – See following pages for plan information
- **Employee Assistance Program** - pre-certification required for all in-patient treatment associated with mental/nervous and substance abuse treatment
- **Medicare Supplement** – Fund pays as supplement to Medicare. Payable at 80% to out-of-pocket maximum of $1,000 per person or $2,000 per family per calendar year.

PLUMBERS AND PIPEFITTERS LOCAL UNION 9 WELFARE FUND

PLAN B (Residential & Non-Bargaining Employees)

SCHEDULE OF BENEFITS

HORIZON BLUE CROSS BLUE SHIELD OF NEW JERSEY PPO NETWORK
EFFECTIVE DATE: JANUARY 1, 2017

MEDICAL BENEFITS	**IN-NETWORK**	**OUT-OF-NETWORK**
ANNUAL DEDUCTIBLE		
(Calendar Year)		
Individual	$0	not covered
Family	$0	not covered
ANNUAL OUT-OF-POCKET MAXIMUM – In Network Only		
(Copays, deductibles, and coinsurance count towards this out-of-pocket limit).		
The annual out-of-pocket maximum for self-only coverage applies to all individuals, including those enrolled in family coverage. An individual's out-of-pocket maximum is embedded in the family's out-of-pocket maximum.		
Individual	$2,500	unlimited
Family	$5,000	unlimited

***Medicare Eligible Plan Participants** – Fund pays as a supplement to Medicare. Payable at 80% to out-of-pocket maximum of $1,000/person or $2,000 per family per calendar year. Please note that Medicare eligible participants (with the exception of those that are still either actively employed or the dependents of active employees) must enroll in Medicare Parts A & B. The Welfare Fund will enroll these individuals in its own Medicare Part D plan.

LIFETIME MAXIMUM	unlimited	unlimited
DOCTOR'S OFFICE VISITS		
Primary Care office Visit	80% coverage	not covered
Specialist Office Visit	80% coverage	not covered
Maternity Visits	80% coverage	not covered
PREVENTATIVE CARE (as defined by the Patient Protection and Affordable Care Act)		
	100% coverage	not covered
DIAGNOSTIC PROCEDURES		
Laboratory	80% coverage	not covered
Radiology	80% coverage	not covered

*Out-of-network tests are not covered except for services rendered by hospital based pathologists and radiologists at in-network hospitals. In NJ, participants must use Lab Corp. of America.

	IN-NETWORK	OUT-OF-NETWORK
HOSPITAL CARE		
Inpatient Admission	80% coverage	not covered
Inpatient Physician Services	80% coverage	not covered
Surgery in Hospital	80% coverage	not covered
Outpatient Hospital Services	80% coverage	not covered
EMERGENCY CARE		
Emergency Room	80% after $50 copay	80% after $50 copay
*This copay is waived if admitted		
Ambulance	80% coverage	80% coverage
*Covers transport from point where stricken to nearest hospital that can provide treatment		
Urgent Care Center	80% coverage	not covered
OUTPATIENT SURGERY		
Hospital Outpatient Surgery	80% coverage	not covered
Surgery in Ambulatory SurgiCenter	80% coverage	not covered
MENTAL HEALTH		
Office Visit	80% coverage	not covered
Inpatient	80% coverage	not covered
*Inpatient requires pre-certification and includes intensive outpatient and sub-acute partial hospitalization		
SUBSTANCE/ALCOHOL ABUSE		
Office Visit	80% coverage	not covered
Inpatient	80% coverage	not covered
*Inpatient requires pre-certification and includes intensive outpatient and sub-acute partial hospitalization		
OTHER SERVICES		
Chiropractic Care Visit	80% coverage	not covered
*Up to 30 visits per person per calendar year		
Home Health Care Services	80% coverage	not covered
*Maximum 120 visits per calendar year, 4 hours=1 visit, no custodial care		
Hospice Services	80% coverage	not covered
*For outpatient –120 maximum visits per calendar year, 4 hours=1 visit, excludes respite care, pastoral care and counseling		
Skilled Nursing Care		
Inpatient	80% coverage	not covered
Outpatient (at home)	80% coverage	not covered

	IN-NETWORK	OUT-OF-NETWORK
Outpatient (at facility) *Maximum 120 days per calendar year	80% coverage	not covered
All Other Covered Medical Services	80% coverage	not covered

Pre-Certification Requirements

All in-patient hospital stays must be pre-certified by **Horizon Blue Cross Blue Shield at 1-800-664-BLUE (2583)**. Emergency admissions must be certified within 72 hours after hospital admission. No benefits will be paid for treatment that is not pre-certified.

All in-patient treatment relative to mental/nervous and substance abuse conditions must be pre-certified by the **Employee Assistance Program at 1-800-527-0035** rather than Horizon Blue Cross Blue Shield. No benefits will be paid for treatment that is not pre-certified.

In-Network Only

The medical coverage provided under the Plan is **in-network only**. The Plan does not provide out-of-network coverage for providers who do not participate in the HORIZON PPO network. The only exception is "***emergency***" treatment rendered by an out-of-network provider with "***emergency***" defined as the sudden onset of an illness or injury where the symptoms are of such severity that the absence of immediate medical attention could reasonably result in:

- Placing the covered person's life in jeopardy, or
- Causing other serious medical consequences, or
- Causing serious impairment to bodily functions, or
- Causing serious dysfunction of any bodily organ or part.

How to Find a Horizon Blue Cross Blue Shield of New Jersey Healthcare Provider

- Ask your physician, hospital, lab or other provider
- Go to Horizon's website at **www.horizonblue.com**
- Call Horizon at **1-800-810-BLUE (2583)**
- Call I.E. Shaffer & Co. at 1-800-792-3666

PRESCRIPTION DRUG BENEFIT – for Active Employees and Non-Medicare Retirees
Envision RX

Retail Prescriptions*

(Mandatory generic substitution) –up to 30 day supply

Generic Drugs – 20% co-payment, min. $5, max. $50
Preferred Brand Name Drugs – 20% co-payment, min. $20, max. $50
Non-Preferred Brand Name Drugs – 20% co-payment, min. $35, max. $50
Specialty Drugs – $35 co-payment

Mail Order Prescriptions*

(Mandatory generic substitution) –up to 90 day supply

Generic Drugs – 20% co-payment, min. $10, max. $100
Preferred Brand Name Drugs – 20% co-payment, min. $40, max. $100
Non-Preferred Brand Name Drugs – 20% co-payment, min. $70, max. $100
Specialty Drugs – $35 co-payment

*After $2,000 per person of out-of-pocket prescription expense during a calendar year, the maximum retail co-pay thereafter is $10 and the maximum mail-order co-pay is $20 for the remainder of the year. After $4,100 per person or $8,200 per family of out-of pocket prescription expenses during a calendar year, there will be no co-payments required for the remainder of the year. The annual out-of-pocket maximum for self-only coverage applies to all individuals, including those enrolled in family coverage (an individual's out-of-pocket maximum is embedded in the family's out-of-pocket maximum)

If a name brand drug with a FDA approved generic is requested, the total co-pay will be the generic co-pay plus the difference in cost between the brand and generic medications. This penalty is not subject to the maximum co-pay limitations.

PRESCRIPTION DRUG BENEFIT – for Medicare Eligible Retirees

Please call LABOR FIRST at 1-866-302-7770 with any questions about Medicare Part D Prescription Benefits

Retail Prescriptions

Maximum 30 day supply

Generic Drugs - 20% co-payment, min. $5, max. $50
Preferred Brand Name Drugs – 20% co-payment, min. $20, max. $50
Non-Preferred Brand Name Drugs – 20% co-payment, min. $20, max. $50
Specialty Drugs – $35 co-payment

Maximum 90 day supply

Generic Drugs – 20% co-payment, min. $10, max. $100
Preferred Brand Name Drugs – 20% co-payment, min. $40, max. $100
Non-Preferred Brand Name Drugs – 20% co-payment, min. $40, max. $100

Mail Order Prescriptions

Maximum 90 day supply

Generic Drugs – 20% co-payment, min. $10, max. $100
Preferred Brand Name Drugs – 20% co-payment, min. $40, max. $100
Non-Preferred Brand Name Drugs –20% co-payment, min. $40, max. $100

Understanding the Prescription Drug Formulary

The drug formulary utilized by the Welfare Fund is a list of medications published by the Welfare Fund's Pharmacy Benefit Managers. Medications on the list fall into one of the four categories:

Generic Drugs – An FDA approved drug, composed of virtually the same chemical formula as a brand-name drug.

Preferred Brand Name - If a generic medication is not available for your condition, your doctor may prescribe a brand-name medication. Preferred Brand Drugs have been evaluated by physicians and pharmacists at the Pharmacy Benefit Manager and are deemed to be the most cost-effective way to treat a specific condition. These are covered at a slightly higher cost to you than generic drugs but at a lesser cost than the Non-Preferred Brand Drug.

Non-Preferred Brand Drugs - In the event you require a prescription medication that is neither generic nor on the Preferred Brand Drug list, you will pay the highest out-of pocket cost for a Non-Preferred Brand Drug.

Specialty Drugs – Prescription medications that require special handling, administration or monitoring. These drugs are used to treat complex, chronic and often costly conditions such as multiple sclerosis, rheumatoid arthritis, hepatitis C and hemophilia.

DENTAL BENEFIT

Two options, annual election effective January 1st of each year:

Dental Services with your choice of provider:

Annual Dental Deductible - $50/person or $150/family
Preventative and Basic Services – 80% after deductible
Fixed bridgework, crowns, gold fillings and orthodontia – 50% after deductible
Annual Dental Maximum -$1,500/person ($600/family for retirees)

OR

Dental Services Organization (DSO) dental plan under which all treatment is be provided at Eastern Dental offices located in New Jersey. Features of the DSO dental plan include:

- No annual benefit maximum
- No patient paid expenses with the exception of a 24 month maximum for orthodontics of:
  - $500 for children
  - $1,250 for adults
- No need to submit claim forms

HEARING BENEFIT

Hearing Aid and Exam	100% coverage

*Unlimited benefit up to age 15. Up to $500 maximum for age 15 and over, once every 36 months

VISION BENEFIT

Vision Benefit	100% coverage

*Up to $400 per person maximum towards eye exam and glasses/contacts combined, once every calendar year

WELFARE FUND BENEFIT PLAN MAXIMUMS

Annual In-Network Medical Maximum Out-of-Pocket Limit-$2,500 person/$5,000 family
(Co-pays, deductibles and co-insurance count towards this out-of-pocket limit)

Annual Prescription Maximum Out-of-Pocket Limit - $4,100 person/$8,200 family
(Prescription co-pays count towards this limit)
For active employees and non-Medicare eligible retired employees only

Home Health Care Maximum - 120 visits per calendar year, 4 hours = 1 visit, no custodial care covered

Hospice Services Maximum – For out-patient, 120 visits per calendar year, 4 hours = 1 visit, excludes respite care, pastoral care and counseling

Skilled Nursing Care Maximum – 120 days per calendar year

Supplemental Speech Therapy Maximum – 30 visits per person per calendar year

Chiropractic Care Maximum – 30 visits per person per calendar year

Shingles Vaccine Maximum – For employees and dependents age 50 and over. Up to $250, no co-payment. Covered both in-network and out-of-network

Lifetime Maximum for surgical procedures performed to correct myopia (near sightedness) or hyperopia (far sightedness) - $2,000

Annual Dental Maximum - $1,500/person ($600/family for retirees)

Lifetime Orthodontia Maximum - $2,000/person
(If retired, orthodontia counts towards the $600 annual dental maximum)

DSO Annual Dental Maximum – unlimited

PLUMBERS & PIPEFITTERS LOCAL UNION 9 SURETY FUND

Effective May 1, 2016

YOUR ACCOUNT BALANCE IS EQUAL TO:

- Employer Contributions, plus
- Investment Earnings, less
- Withdrawals, less
- Expenses

TYPES OF SURETY BENEFITS

- Retirement – payable if you are receiving a retirement benefit from the Plumbers & Pipefitters Local Union 9 Pension Plan.

- Disability – payable if you become totally and permanently disabled.

- Termination – payable if you have no covered employment over 3 consecutive months.

- Death - payable upon your death.

- Financial Hardship - available if you have had an account for at least one year but not more than the contributions to your account since 1/1/93. Hardship distributions are available up to three times every 24 months for the following purposes:

    - Medical expenses of at least $1,000 incurred by you, your spouse, dependent child, parent or grandchild, which have not be reimbursed by insurance.

    - Tuition and room and board expenses for yourself, your spouse or dependent child to attend an educational institution above the high school level or a school for handicapped children.

    - Purchase of a home, cooperative or condominium apartment for your principal residence for which you have incurred down payment, contract or title expenses.

    - If you are delinquent in the making of mortgage or rental payments on your home and there is an immediate threat that your mortgage will be foreclosed or you will be evicted.

- ◊ Funeral expenses incurred due to the death of your spouse, child or parent.

- ◊ If you have been involuntarily unemployed and have exhausted all available state unemployment benefits.

- ◊ Disability for a period of at least 26 weeks during which you have been unable to engage in gainful employment due to illness or injury.

- ◊ Legal fees and expenses of at least $1,000 incurred by you, your spouse, or dependent children in the defense or prosecution of civil or criminal litigation.

FORMS OF PAYMENT

- ♦ Lump Sum
- ♦ Monthly installments over a period not to exceed your life expectancy
- ♦ Combination lump sum and monthly installments
- ♦ Joint and survivor annuity

FEDERAL AND STATE INCOME TAXES

- ♦ Surety benefits are subject to federal and state income taxes.
- ♦ Mandatory 20% withholding applies to all payments made over less than 10 years.
- ♦ 10% IRS penalty applies if you are not 59½ or 55 and retired.
- ♦ May qualify for rollover treatment.

INVESTMENT CHOICES:

- ♦ Prudential Guaranteed Long Term Fund
- ♦ Balanced I Fund/Wellington Management (default)
- ♦ Vanguard Target Retirement Date Funds (Income, 2015, 2020, 2025, 2030, 2035, 2040, 2045, 2050)
- ♦ Dryden S&P 500 Index
- ♦ Large Cap Growth/American Century Fund
- ♦ Large Cap Value/AJO Fund
- ♦ T Rowe Price Growth Stock Strategy Fund
- ♦ Fidelity Contrafund
- ♦ Vanguard Mid-Cap Index Signal
- ♦ Vanguard Small Cap Inted Signal Fund
- ♦ American Funds EuroPacific Fund

Investment earnings credited daily. Investment elections may be changed daily.

Access to your account with your PIN 24 hours a day, 7 days a week – www.ieshaffer.com or (877) 742-3373 (toll-free).