

**United Food & Commercial Workers Local Union #1189
and St. Paul Food Employers Health Care Plan**

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**UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL 1189 AND
ST. PAUL FOOD EMPLOYERS HEALTH CARE PLAN**

IMPORTANT NOTICE

Summary of Material Modifications

TO: Participants and Beneficiaries of the United Food and Commercial Workers Union Local 1189 and St. Paul Food Employers Health Care Plan

FROM: The Board of Trustees

DATE: October 2021

This is a Summary of Material Modifications (“SMM”) regarding the United Food and Commercial Workers Union Local 1189 and St. Paul Food Employers Health Care Plan (the “Plan”). The Board of Trustees of the Plan has amended the Summary Plan Description and Plan Document (Amended and Restated March 1, 2021) as described below.

Amendment No. 1: COBRA Subsidies and Extended Election Opportunities

Effective April 1, 2021, the Plan has been amended to provide subsidized COBRA continuation coverage and extended election opportunities as provided by federal law.

During the period from April 1, 2021 through September 30, 2021 (the “Subsidy Period”), any “Assistance Eligible Individual” is not required to make Self-Payments for COBRA continuation coverage. An “Assistance Eligible Individual” is an individual who is enrolled in COBRA continuation coverage during the Subsidy Period if he or she became eligible for COBRA continuation coverage due to a loss of coverage under the Plan resulting from the Employee’s involuntary termination of employment (other than termination for gross misconduct) or a reduction of hours.

In addition, any individual who could be an Assistance Eligible Individual during the Subsidy Period except for the fact that he or she stopped making the required COBRA continuation coverage self-payments or never enrolled in COBRA continuation coverage is allowed another opportunity to elect (or re-elect) COBRA continuation coverage during the 60-day period following the date that he or she received the initial notice from the Plan Administrator about the special COBRA continuation coverage election opportunity. If an individual becomes an Assistance Eligible Individual enrolled in COBRA continuation coverage under this extended election period, the maximum COBRA continuation coverage period will not extend beyond the last day that the Assistance Eligible Individual would have been eligible for COBRA continuation coverage had he or she not stopped making Self-Payments or had enrolled in COBRA continuation coverage when it was first offered.

Subsidized COBRA continuation coverage will end if an Assistance Eligible Individual becomes eligible for coverage under another group health plan or Medicare. If this is the case, an Assistance Eligible Individual is required to notify the Plan Administrator about the group health plan or Medicare eligibility.

Amendment No. 2: Psychological Testing

Effective January 1, 2021, the Plan has been amended to remove the requirement that psychological testing over five hours must be reviewed for medical necessity.

Please update your Summary Plan Description and Plan Document booklet (dated March 1, 2021) to reflect these changes by inserting replacement and new pages 18, 18A, 18B, and 40 into your booklet to replace and supplement the existing pages.

If you have any questions about these changes to the Plan, please contact the Plan Administrator, Wilson-McShane Corporation, at (952) 854-0795 or 1-800-535-6373.

GRANDFATHERED STATUS UNDER THE PATIENT PROTECTION AND AFFORDABLE CARE ACT

The Trustees believe this Plan 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 already was in effect when that law was enacted. Being a grandfathered health plan means that your Plan is not required to 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 Plan Administrator, Wilson-McShane Corporation, at: United Food and Commercial Workers Union Local 1189 and St. Paul Food Employers Health Care Plan, 3001 Metro Drive, Suite 500, Bloomington, MN 55425, (952) 854-0795 or 1-800-535-6373. You also may contact the Employee Benefits Security Administration, U.S. Department of Labor 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.

(i) the month after your employment ends, or (ii) the month after group health plan coverage based on current employment ends.

If you do not enroll in Medicare and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and later enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage. For more information, see <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/part-a-part-b-sign-up-periods>.

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA continuation coverage will pay second. Certain plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare. For more information visit <https://www.medicare.gov/medicare-and-you>.

9. Initial COBRA Notice

The **Initial COBRA Notice** attached to this Plan as **Exhibit A** contains further information and details on COBRA in accordance with Department of Labor guidance and forms.

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified in the notice. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

10. Temporary Waiver of COBRA Continuation Coverage Self-Payments

An Assistance Eligible Individual is not required to make any required Self-Payments for COBRA continuation coverage for any period of coverage during the period from April 1, 2021 through September 30, 2021 (the "Subsidy Period") and is treated as having made such Self-Payments for all purposes.

An Assistance Eligible Individual is not eligible for relief from the requirement to make Self-Payments for COBRA continuation coverage during the Subsidy Period described in this section for any month of coverage that begins on or after the earlier of:

- a. The first date that the Assistance Eligible Individual is eligible for coverage under any other group health plan (other than a group health plan that consists of only excepted benefits), a flexible spending arrangement, a qualified small employer health reimbursement arrangement, or Medicare; or
- b. The earlier of:
 - (i) The date following the expiration of the Assistance Eligible Individual's maximum period of COBRA continuation coverage; or
 - (ii) The date following the expiration of the period of COBRA continuation coverage as extended by Article I, Section H.11.

For periods of COBRA continuation coverage following the Subsidy Period, Assistance Eligible Individuals who remain eligible for and continue COBRA continuation coverage must make the applicable required Self-Payment in accordance with the Plan's regular COBRA Self-Payment rules.

11. Temporary Extension of COBRA Election Period

Any individual who, as of April 1, 2021, would be an Assistance Eligible Individual except for the fact that he or she has does not have a COBRA continuation coverage election in effect or has discontinued COBRA continuation coverage before April 1, 2021 prior to the expiration of his or her initial COBRA continuation coverage period, is eligible to elect (or re-elect, as the case may be) COBRA continuation coverage during the period from April 1, 2021 through the date that is 60 days after the date that the Plan Administrator provides the individual with the notice required by Article I, Section H.12.

If a qualified beneficiary elects (or re-elects) COBRA continuation coverage pursuant to the extended election period described in this section, such COBRA continuation coverage will become effective on the first date of the coverage period that begins on or after April 1, 2021, but such COBRA continuation coverage will not extend beyond the last date that such Assistance Eligible Individual would have been eligible for COBRA continuation coverage in the absence of the temporary extended election period described in this section.

12. Notice to Assistance Eligible Individuals

The Plan Administrator is required to provide Assistance Eligible Individuals and individuals described in Article I, Section H.11 who become entitled to elect COBRA continuation coverage before April 1, 2021 with notice of the availability of and information about COBRA continuation coverage Self-Payment assistance, along with the forms required to establish eligibility for Self-Payment assistance, no later than 60 days after April 1, 2021.

13. Requirement to Report Notice of Eligibility for Another Group Health Plan or Medicare

Any Assistance Eligible Individual who becomes ineligible for the temporary waiver of the requirement to make COBRA continuation coverage Self-Payments during the Subsidy Period under Article I, Section H.10.a, due to eligibility for another group health plan or Medicare, must notify the Plan in accordance with rules established by the Plan Administrator.

14. Assistance Eligible Individual

An Assistance Eligible Individual is, with respect to any period of COBRA continuation coverage during the period beginning on April 1, 2021 and ending on September 30, 2021, a COBRA Qualified Beneficiary who elects COBRA continuation coverage and became eligible for COBRA continuation coverage due to a loss of coverage resulting from either the Employee's termination of employment (other than the Employee's voluntary termination of employment or involuntary termination of employment due to the Employee's gross misconduct) or a reduction in the Employee's hours of employment.

I. Retiree Options Under COBRA and Plan 3

If you cease work because of retirement, coverage may be continued under the Plan according to these provisions.

Early Retirement – non-Medicare Eligible. Retirees at retirement will have the option of either choosing COBRA continuation coverage or continuing to pay a nonsubsidized rate for the Plan 3 Retiree benefit level medical and prescription drug coverage immediately upon retirement, provided they are not eligible for Medicare

The COBRA coverage provides the same level of benefits the Employee had immediately preceding his retirement (Plan 1 or Plan 2).

Coverage for full-time Retirees will continue to be offered on a single or family basis; however, full-time Retirees must pay the “full-time COBRA” rate regardless of Dependent coverage status. A single, full-time Retiree may irrevocably elect to participate in Plan 2 coverage and pay the “part-time COBRA rate,” instead of Plan 1 coverage. Retirees will have the option of choosing Medical Benefits only; or Medical, Dental Care and Vision Care Benefits.

6. Chiropractic Services

Chiropractic fees for services of a licensed chiropractor acting within the usual scope of the chiropractic practice will be paid, up to the maximum per visit and per Calendar Year stated in the Schedule of Benefits.

7. Mental Health and Chemical Health Inpatient and Outpatient Services

Reasonable Expenses for Mental Health or Chemical Health Inpatient and Outpatient Services are payable the same as for any other illness.

- Outpatient treatment must be rendered in a Hospital, approved Outpatient Psychiatric Facility, or a facility licensed by the state of Minnesota to provide these services (or a similar agency if in another state), except that a Physician can render such treatment at any location.
- Outpatient treatment includes collateral interviews with your family, medical evaluations, and psychological testing.

8. Diagnostic X-Ray and Laboratory Services

Reasonable Expenses for diagnostic x-ray and laboratory services are covered, including:

- A pap test, regardless of the purpose for which it is performed.
- Amniocentesis.
- Genetic testing, other than amniocentesis, and payable only under the parameters for Genetic Testing.
- Excludes Allergy tests.

9. Physical Therapy, Speech Therapy and Occupational Therapy

Reasonable Expenses for Services of a qualified physiotherapist, occupational therapist, speech therapist, registered nurse (R.N.), or licensed practical nurse (L.P.N.) are covered.

- Benefits are payable for services of a licensed speech therapist under the supervision of a Physician for a condition resulting from an Injury, Sickness, or congenital disorder such as cleft lip or palate.
- However, benefits are not payable for speech therapy for a condition resulting from learning disabilities or a personality disorder.
- Occupational and speech therapy are covered for developmental delays if Medically Necessary as defined by case management and provided school programs have first been utilized to the fullest.