

HEALTH REIMBURSEMENT ARRANGEMENT PLAN

The Fund offers Participants (and covered Dependents) a Health Reimbursement Account (HRA) administered by the Fund Office on a self-insured basis. The HRA is designed to permit Participants to obtain reimbursement of Eligible Medical Expenses on a nontaxable basis. The HRA is intended to qualify as an integrated health reimbursement arrangement under §105 and §106 of the Internal Revenue Code of 1986, as amended, IRS Notice 2015-87 and regulations issued thereunder, and as a health reimbursement arrangement as defined under IRS Notice 2002-45, and shall be interpreted to accomplish that objective.

The Trustees establish and maintain HRA accounts for each Member, but do not create separate funds or otherwise segregate assets for this purpose. The HRA accounts so established are merely recordkeeping accounts with the purpose of keeping track of contributions and available reimbursement amounts.

Eligibility

Local 21 Member Participant. In order for a Local 21 Member Participant to obtain reimbursement of HRA reimbursable expenses, he/she must be eligible for and enrolled in the Plumbers and Steamfitters Local 21 Welfare Fund or Retiree Plan as of the date the expense(s) was incurred.

Dependents. In order for a Participant's Dependents to obtain reimbursement of HRA reimbursable expenses, the Dependent(s) must be eligible for and enrolled in the Plumbers and Steamfitters Local 21 Welfare Fund or Retiree Plan as of the date the expense(s) was incurred.

Traveler/Out-of-Area Union Member Participant and Dependents. In order for a non-Local 21 member (and his/her Eligible Dependents) to obtain reimbursement of HRA reimbursable expenses, he/she must be eligible for and enrolled in his/her home local health and welfare plan as of the date the expense(s) was incurred. The home local health and welfare plan must provide minimum value coverage under the law. Satisfactory proof of enrollment is required for claims to be payable, including but not limited to a Certificate of Coverage.

Please note that you may not access the HRA to reimburse for premiums/out-of-pocket costs associated with Marketplace or individual health insurance. If you are enrolled in a Marketplace health plan or other individual health insurance coverage, you are not eligible for this benefit and must opt out (as described below). Participants who do not opt out will NOT have access to the HRA.

Contributions to the HRA

Your HRA Account is funded solely by contributions from Contributing Employers and you cannot add monies to the account through a voluntary salary reduction. Your HRA account will not be credited unless and until contributions are actually received by the Fund from your Employer. A Participant may be reimbursed tax-free for Eligible Medical Expenses (see below for more information) up to the balance of his or her HRA account balance.

Crediting your HRA Account

Your HRA Account will be credited at the beginning of the first month following the month in which contributions are received on your behalf from Contributing Employers in the amount set forth in the collective bargaining agreement. If contributions are not received for any given month, the HRA Account will not be credited. HRA accounts do not accrue interest or any other income.

Debiting and Available Amount

Your account will be debited for any reimbursement of Eligible Medical Expenses incurred by you or your Eligible Dependents during the Plan Year along with any administrative fees (if applicable).

At any time, the available amount for reimbursement of Eligible Medical Expenses is the amount credited to your HRA account from Contributing Employers plus any carryover of an unused account balance from prior Plan Years minus any claims submitted for reimbursement.

Suspension of HRA Account

A Participant may elect to suspend his or her HRA account by submitting a written letter to the Fund Office before the beginning of that Plan Year. The Participant's suspension election will remain in effect for the entire Plan Year to which it applies, and the Participant may not modify or revoke the election during that Plan Year. The Participant will not receive reimbursements for any Eligible Medical Expenses incurred during the period to which the suspension election applies. If a Participant suspends his or her HRA account for a period of time, Eligible Medical Expenses incurred before the beginning of the suspension period may be reimbursed during the suspension period, subject to the claims procedures contained herein, so long as no suspension election was in effect for the date(s) on which such expenses were incurred.

Permanent Opt-Out of HRA Account

In lieu of a temporary suspension of your HRA Account, you may elect to permanently opt out of and waive future reimbursements from your HRA Account. If you make such an election, contributions received after the opt-out election takes effect that would normally be credited to your HRA account will be forfeited and you will not receive reimbursements for any medical care expenses incurred after the opt-out election takes effect. Eligible Medical Expenses incurred before the opt-out election takes effect, however, may be reimbursed, subject to the claims procedures contained herein, so long as no suspension election was in effect for the date(s) on which such expenses were incurred.

The opportunity to make a permanent opt-out election shall be offered to each Participant at least annually.

Eligible Medical Expenses

The HRA Plan provides eligible Participants with an HRA account to allow reimbursement for “Eligible Medical Expenses” (defined below) that are generally not reimbursed by the health plan

such as co-payments, co-insurance, deductibles and other expenses as described in this section. This section explains what constitutes an Eligible Medical Expense.

Eligible Medical Expenses, Generally. “Eligible Medical Expenses” means expenses incurred by you or your Eligible Dependents for medical care, as defined in Internal Revenue Codes §105 and §213(d) (including, for example, amounts for certain hospital bills, doctor bills, dental bills and prescription drugs), but shall not include expenses that are described at the end of this section under Exclusions. Eligible Medical Expenses also includes reimbursement for Retiree Self-Pay premiums, Retiree Medicare Part B and Part D premiums, COBRA premiums, or premiums for dental coverage paid on an after-tax basis.

Incurred. An Eligible Medical Expense is incurred at the time the medical care or service giving rise to the expense is furnished, and not when the individual incurring the expense is formally billed for, is charged for, or pays for the medical care. Medical expenses incurred before you first become an Eligible Participant are not Eligible Medical Expenses. However, an Eligible Medical Expense incurred during one Plan Year may be paid during a later Plan Year, provided that no more than two years have passed since the expense was incurred and you were an Eligible Participant at the time the expense was incurred.

Cannot Be Reimbursed or Reimbursable From Another Source. Eligible Medical Expenses can only be reimbursed to the extent that you or another person incurring the expense is not reimbursed for the expense (nor is the expense reimbursable) through a health insurance plan, other insurance, or any other accident or health plan. If only a portion of an Eligible Medical Expense has been reimbursed elsewhere (e.g., because the other plan imposes copayment or deductible limitations), the HRA Plan can reimburse the remaining portion of such expense if it otherwise meets the definition of an Eligible Medical Expense.

Schedule of Eligible Medical Expenses. The following is a list of Eligible Medical Expenses for which you may receive reimbursement under the Plan. The list does not include all possible qualified medical expenses. For questions about whether a medical expense is a qualified medical expense, contact the Fund Office.

Eligible Medical Expenses for HRA Reimbursement	
<ul style="list-style-type: none"> • Abortion • Acupuncture • Alcoholism Treatment • Ambulance • Annual Physical Examination • Artificial Limb • Artificial Teeth • Bandages • Birth Control Pills • Body Scan • Braille Books and Magazines (limited to the part of the cost that is more than the cost of regular printed editions) • Breast Pumps and Supplies • Breast Reconstruction Surgery 	<ul style="list-style-type: none"> • Lead-Based Paint Removal (to prevent a child who has or had lead poisoning from eating the paint) • Lodging (the cost of meals and lodging at a hospital or similar institution if the principal reason for being there is to receive medical care) • Long-Term Care Services and Insurance Premiums • Medicines (only with a prescription) • Nursing Home • Optometrist • Orthodontia (braces for your teeth) • Osteopath • Oxygen and Oxygen Equipment • Physical examination

<ul style="list-style-type: none"> • Car Modifications (limited to the part of the cost for hand controls and other special equipment installed in a car for the use of a person with a disability) • Chiropractor • Christian Science Practitioner • Coinsurance • Contact Lenses • Copayment Amounts • Crutches • Deductibles • Dental Treatment • Diagnostic Devices • Drug Addiction Treatment (inpatient treatment at a therapeutic center, including meals and lodging during treatment) • Eye Exam • Eyeglasses • Eye Surgery • Fertility Enhancement • Guide Dog or Other Service Animal • Hearing Aids • Home Care • Home Improvements (for special equipment installed in a home, or for improvements, if the main purpose is for medical care) • Hospital Services • Insulin • Insurance Premiums (COBRA, Medicare Part B & D, Dental) • Intellectually and Developmentally Disabled, Special Home for (does not include your home or the home of a relative) • Laboratory Fees 	<ul style="list-style-type: none"> • Pregnancy Test Kit • Prosthesis • Psychiatric Care • Psychoanalysis • Psychologist • Special Education (when recommended by a doctor for a child's tutoring by a teacher who is specially trained and qualified to work with children who have learning disabilities) • Sterilization • Stop-Smoking Programs • Surgery (except those for unnecessary cosmetic surgery) • Telephone (equipment that lets a person who is deaf, hard of hearing or has a speech disability communicate over a regular telephone) • Television (equipment that displays the audio part of television programs as subtitles for persons with a hearing disability) • Therapy • Transplants (for medical care you receive because you are a donor or a possible donor) • Transportation (amounts paid for transportation primarily for, and essential to, medical care) • Vasectomy • Vitamins and Food Supplements (when prescribed by a physician) • Weight-Loss Program (if it is a treatment for a specific disease diagnosed by a physician) • Wheelchair • Wig (for the mental health of a person who has lost all of his or her hair from disease) • X-ray
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Forfeiture of Accounts

An HRA account will be forfeited following six months of inactivity (i.e. no claims submissions for six months) after the date of termination of eligibility for Welfare Fund or Retiree Plan benefits. Any monies available from forfeited accounts will be applied to the Welfare Fund's administrative costs. However, should you return to Covered Employment and become eligible under the Welfare Fund and HRA Plan within 5 years of the date your account is forfeited, the unused balance that was forfeited will be restored when you regain eligibility.

Notwithstanding the above, the HRA account of an active Participant (and any Dependents) eligible for and enrolled in the Welfare Fund or Retiree (and any Dependents) eligible for and enrolled in (or who has opted-out of) the Retiree Plan, will not be forfeitable under the 6-month activity rule described above.

Any claims for reimbursement for Eligible Medical Expenses submitted by Dependents of a deceased active Participant or Retiree, will be covered up to the unused amount in the HRA account, subject to the eligibility and claims procedures contained herein.

Reimbursement Procedure

In order to obtain reimbursement from the HRA, you must fill out the appropriate HRA claim form and submit it along with required documentation to the Fund Office no later than two years following the date the Eligible Medical Expense was incurred. Required documentation includes but is not limited to Empire BCBS Explanation of Benefits for denied services.

All requests for reimbursement must include the following information:

- The person or persons on whose behalf Eligible Medical Expenses have been incurred;
- The description of service and date expenses incurred;
- The amount of the requested reimbursement; and
- A statement that such expenses have not otherwise been reimbursed and are not reimbursable through any other source and that Health FSA coverage, if any, for such expenses has been exhausted.
- Written proof from an independent third party showing that the Eligible Medical Expenses have been incurred, the amounts of such expenses and proof of payment. Acceptable proof includes a copy of the Explanation of Benefits or a copy of the original claim form along with a receipt of payment. A statement or bill from a provider is not generally considered acceptable and will usually require additional documentation to constitute adequate proof of a claim.

For reimbursement claims that are denied, whether in whole or part, see the *Claims and Appeals Procedures* section of this booklet.

Health Reimbursement Arrangement Plan Exclusions

The following is a list of some items that are not qualified medical expenses for purposes of reimbursement by the HRA Plan. These expenses are not reimbursable even if they meet the definition of medical care under the Internal Revenue Code and are otherwise reimbursable pursuant to guidance issued by the Internal Revenue Service with respect to Health Reimbursement Accounts.

Note: The Plan Administrator, and other Plan fiduciaries and individuals to whom responsibility for the administration of the HRA program has been delegated, will have discretionary authority to determine the applicability of these exclusions and the other terms of the Plan and to determine eligibility and entitlement to Plan benefits in accordance with the terms of the Plan.

Notwithstanding the foregoing, an HRA account may reimburse COBRA premiums that a Participant, Spouse or Dependent pays on an after-tax basis under any other group health plan sponsored by an employer.

1. Health insurance premiums for individual or Marketplace policies or for any other group health plan (including a plan sponsored by an Employer) except for: (i) Retiree Part B and Part D insurance premiums; (ii) COBRA premiums; and (iii) Premiums for dental coverage paid on an after-tax basis.
2. Babysitting, childcare and nursing services for a normal, healthy baby.
3. Any expense allowed as a childcare credit for tax purposes.
4. Controlled substances (such as marijuana) that aren't legal under federal law, even if such substances are legalized by state law.
5. Cosmetic surgery, except cosmetic surgery necessary to improve a deformity arising from, or directly related to, a congenital abnormality, a personal injury resulting from an accident or trauma or a disfiguring disease. For purposes of HRA Plan exclusions, cosmetic surgery includes both surgical and non-surgical procedures.
6. Custodial care at home or in a nursing or assisted-living facility. Custodial care refers to nonskilled, personal care, such as help with activities of daily living like bathing, dressing, eating, getting in or out of a bed or chair, moving around and using the bathroom. Custodial care is excluded even if recommended by a doctor.
7. Diaper service.
8. Any amounts which you are reimbursed for by a flexible spending account if you or your Spouse contributes part of your income or your Spouse's income to the flexible spending account on a pre-tax basis.
9. Fitness classes such as dance classes or swimming lessons if they are only for the improvement of general health, even if recommended by a doctor.
10. Funeral and burial expenses.
11. Health club dues to improve one's general health or for business, pleasure, recreation or other social purposes.
12. Contributions to health savings accounts, including Archer Medical Savings Accounts (MSA).
13. Illegal operations, treatments or controlled substances, whether rendered or prescribed by licensed or unlicensed practitioners.
14. Massage therapy.
15. Maternity clothes.
16. Prescribed medicines and drugs when illegally imported from another country, except that you can apply for reimbursement of a prescribed drug you purchase and consume in another country if the drug is legal in both the other country and the United States.
17. Non-prescription drugs, except for insulin. You can only apply for reimbursement of non-prescription (over-the-counter) drugs when prescribed by a doctor.
18. Nutritional supplements, vitamins, herbal supplements, natural remedies, etc. unless prescribed by a doctor.

19. Personal use items ordinarily used for personal, living or family purposes unless it is primarily used to prevent or alleviate a physical or mental defect or illness. For example, the costs of cosmetics, toiletries and toothpaste are excluded.
20. Teeth whitening.
21. Veterinary Fees except for a guide dog or other service animal.
22. Weight-loss program if the purpose of the weight-loss program is the improvement of appearance, general health or sense of well-being. Diet food and beverages are also excluded.
23. Any item not specifically referenced herein that does not constitute medical or dental care as defined under Internal Revenue Code §213(d).