



# AUTOMOBILE MECHANICS' LOCAL 701 WELFARE FUND

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## IMPORTANT BENEFIT PLAN CHANGES

The Trustees of the Automobile Mechanics' Local No. 701 Union and Industry Welfare Fund have made certain changes to the **HRA for Medicare Eligible Retirees** plan (the "Plan") as documented in the applicable combination Summary Plan Description and Plan Document ("SPD/Plan") that was previously provided to you. The changes are summarized below and are effective as of January 1, 2023.

1. The **HRA for Medicare Eligible Retirees** Plan was amended to modify the eligibility requirements for certain retirees, effective as of January 1, 2023.

## SUMMARY OF MATERIAL MODIFICATIONS

This document, referred to as a “summary of material modifications,” is intended to supplement the SPD/Plan. You should retain this summary of material modifications with your copy of the SPD/Plan. If you have any questions, you may contact the Fund Office (708) 482-0110 ~ Toll Free (800) 704-6270.

### **1. Modification of Eligibility for Certain Retirees**

Effective January 1, 2023, the paragraph entitled "If you Retire after you are Eligible for Medicare" in the Retired Employee Eligibility subsection in the HRA Eligibility section of the SPD/Plan is updated to read as follows:

#### **If you Retire after you are Eligible for Medicare**

If you are eligible for Medicare when you retire, you may be eligible for HRA Benefits if you meet the following requirements (under Option 1 or Option 2; note that Option 2 is an additional eligibility option as of January 1, 2023):

##### Option 1:

- You were a collectively bargained Participant in a welfare plan offered under the Automobile Mechanics’ Local 701 Union and Industry Welfare Fund; and
- You meet one of the two following years of coverage requirements:
  - You have attained age 55 ~~are~~ and are eligible to begin receiving ~~for~~ an immediate, early, disability or normal retirement benefit from the Local 701 Pension Fund or the IAM National Pension Fund and have at least 10 years of eligibility in the Local 701 Welfare Fund with coverage in all of the 5 years immediately prior to retirement. A person will be considered to have had coverage in all of the 5 years immediately prior to retirement if he had at least 20 weeks of Covered Employment during each of such years; OR
  - You are at least age 55 and have 20 years of eligibility as a Participant in the Local 701 Welfare Fund.
- You file a written application for HRA Benefits and you enroll in a plan offered to Fund participants through Labor First within 90 days of the date when your eligibility for Active Employee Benefits under the Fund ends.

If you meet all of the conditions listed above in Option 1, your eligibility for HRA Benefits will begin on the first day of the month after your coverage as an Active Employee ends under the Fund; provided that you submit your application and enroll in a plan offered to Fund participants through Labor First within the 90-day timeframe stated above. **If you do not file your application and enroll in such a plan offering within the 90-day timeframe, you will lose your eligibility for HRA Benefits, with no possibility of reinstatement.**

##### Option 2 (effective January 1, 2023, in addition to Option 1):

- You meet one of the two following years of coverage requirements:
  - You have attained age 55 and have at least 25 years of eligibility in the Local 701 Welfare Fund with at least 10 of the last 15 years of coverage prior to retirement with the Local 701 Welfare Fund; OR
  - You have attained age 55 and have at least 30 years of eligibility in the Local 701 Welfare Fund with at least 5 of the last 15 years of coverage prior to retirement with the Local 701 Welfare Fund.

- In order to obtain eligibility for HRA Benefits under Option 2, you must file a written application for HRA Benefits and enroll in a plan offered to Fund participants through Labor First at least 30 days prior to the effective date of HRA Benefits.

If you meet all of the conditions listed above under Option 2, your eligibility for HRA Benefits will begin on the first day of the month following 30 days from the date of your application and enrollment in a plan offered to Fund participants through Labor First.