

**SAN FRANCISCO ELECTRICAL WORKERS
HEALTH & WELFARE TRUST
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Summary of Material Modifications

May 2021

**San Francisco Electrical Workers Health & Welfare Plan
Important Notice of Changes to Plan Relating to
Early Retiree Eligibility – Rule of 85**

Effective June 1, 2020, the Board of Trustees have modified the Plan to allow pre-age 59 individuals who satisfy the Northern California Electrical Workers Pension Plan’s Rule of 85 (for an unreduced early pension), to opt out of coverage for one continuous period of any length through the month in which the Early Retiree attains age 62, provided that the Retiree can demonstrate continuous group or individual minimum essential coverage (“MEC”), of at least minimum value, from retirement (or re-retirement) date until age 62 for all family members for whom Retiree coverage is to be provided. Such member satisfying the Rule of 85 shall also be eligible for the reduced premium at age 62.

Paragraph 4.3 regarding Early Retiree Eligibility is modified to add 4.3(e) and renumber the existing subparagraphs (e) and (f) to (f) and (g); and provides:

(e) *Pension Plan Rule of 85.* The sole exception to the Early Retiree Participation rule is for Early Retirees who have satisfied the Pension Plan’s Rule of 85 at the time the Early Retiree initially commences his or her Early Pension. These Early Retirees may delay Early Retiree participation until age 62 and may pay the lower premium before age 65 that is available to an Early Retiree who has met the Section 4.1(a)(1) service requirements at or after age 59. Under the Pension Plan, you will satisfy the Rule of 85 when your combined age and Pension Credit totals at least 85.

Paragraph 6.5 regarding Retiree’s and Retiree Dependents’ Opt-Out and Re-Enrollment Right shall likewise add the following paragraph:

Pension Plan Rule of 85. Any retiree who satisfies the Pension Plan Rule of 85 as of retirement date (or re-retirement date for any participant who satisfies the Rule of 85 after working in Prohibited Employment) will be allowed to opt out of coverage for one continuous period of any length through the month in which the retiree attains age 62, provided that the retiree can demonstrate continuous group or individual minimum essential coverage, of at least minimum value, from retirement (or re-retirement) date until age 62 for all family members for whom retiree coverage is to be provided.

Please call the Plan Office at (415) 263-3670 if you have any questions.

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