



August 2025

SUMMARY OF MATERIAL MODIFICATIONS

Dear Participant:

On behalf of the North Atlantic States Carpenters Health Benefits Fund (Health Fund), you are receiving this notice to inform you of important upcoming Health Fund changes for Participants of Local 276, 277, 1163 and former HRA based participants of Local 291. This Summary of Material Modifications ("SMM") supplements the previously provided Summary Plan Description ("SPD"). You should retain this document with your copy of the SPD.

ELIGIBILITY FOR RETIREE HEALTH COVERAGE

Effective October 1, 2025, participants who have incurred and maintain an outstanding balance to the Health Fund due to the use of their HRA for the payment of ineligible expenses must resolve the outstanding balance before becoming eligible for coverage under the Retiree Health Plan III or the Blue Medicare Advantage PPO Plan.

To satisfy this requirement, the participant must either:

1. Repay the full outstanding balance in a single lump sum, or
2. Enter into a written installment agreement with the Health Fund to repay the balance through monthly payments.

Participants who fail to satisfy this repayment requirement will be considered ineligible for retiree health benefits until otherwise determined.

RETIREE HEALTH – CHANGE TO ELIGIBILITY RULES

The eligibility requirements for the Retiree Health Plan will be updated as follows for Participants who retire with a pension effective date on or after October 1, 2025.

- There will be no time limit for participation in the Retiree Health Plan, provided a participant has a balance in their HRA that is at least the amount of their monthly premium.

- Participants who deplete their HRA account remain eligible to stay on the Retiree Health Plan, for up to thirty-six months, including the months utilizing their HRA accounts or Medicare eligible, whichever occurs first.
- Participants with fewer than 25,000 credited hours worked with contributions made to the North Atlantic States Carpenters Pension Fund in their career may enroll in the Retiree Health Plan, paying the full cost of the Retiree Health Plan, only if they have an HRA balance that is at least the amount of their monthly premium. Once their HRA is exhausted, they will no longer be eligible for the Retiree Health Plan.
- Participants with 25,000 and 49,999 credited hours worked with contributions made to the North Atlantic States Carpenters Pension Fund will receive a 10% subsidy toward Retiree Health Plan costs.
- Participants with 50,000 or more credited hours worked with contributions made to the North Atlantic States Carpenters Pension Fund will receive a 25% subsidy toward Retiree Health Plan costs.
- Retiree Health Plan premiums will be remitted to the Health Fund in the following order:
 - Deduction of the monthly premium from the HRA account
 - If a Participant's HRA balance does not cover the entire cost of the monthly premium, your premium will be deducted from your pension payment.
 - If a Participant's pension amount does not cover the entire cost of your monthly premium, you may have the option to self-pay.

CHANGE TO ALLOWABLE PURCHASES WITH HRA DEBIT CARD

Effective August 1, 2025, over-the-counter purchases will no longer be permitted using an HRA debit card. These purchases include, but are not limited to, items from Amazon, FSA Store, and Target. This change aims to ensure reimbursements comply with IRS guidelines and to preserve the tax-free status of all members' HRAs.

The Fund will continue to reimburse eligible over-the-counter items to Participants who submit their HRA reimbursement claim via the Pro-Flex mobile app, consumer portal, or by sending a completed HRA Reimbursement claim form with all required documentation to the Fund Office. If you are unsure whether an item is eligible, we recommend checking with the Fund Office before making a purchase.

Please note that the HRA debit card can still be used for participants' copays and coinsurance payments to medical providers, hospitals, ancillary facilities, and for prescription drugs.

If you have any questions regarding this Summary Material Modification or any other matters, please contact your local Fund Office.

Sincerely,
Board of Trustees