CARPENTERS HEALTH AND WELFARE TRUST FUND FOR CALIFORNIA
265 Hegenberger Road, Suite 100
P.O. Box 2280
Oakland, California 94621-0180
Tel. (510) 633-0333 ✧ (888) 547-2054 ✧ Fax (510) 633-0215
www.carpenterfunds.com

Action Required: Notify the Fund Office of Ineligible Dependents during the "Amnesty Period"

October 18, 2013

Dear Plan Participant,

The Fund Office is currently in the process of auditing dependent enrollees of the Carpenters Health and Welfare Trust Fund to ensure only eligible dependents are provided Plan benefits. Dependent coverage is an important part of the benefits package. To help protect the financial strength of the Fund, benefits can only be provided to qualified eligible dependents. For this reason, we are asking for your help and cooperation with this important dependent verification project.

For a number of reasons, dependents who once met the requirements for dependent coverage may no longer satisfy Plan rules for coverage. For example, your once eligible adult dependent child over the age of 19 who now has a job that offers coverage to him/her may no longer be eligible under the Plan. Or, perhaps the Fund Office did not receive notice of your divorce and has your former spouse listed as a dependent. (Even though your divorce decree may state you are to provide coverage to your ex-spouse, former spouses are not eligible for coverage under this Plan. Court decreed coverage must be purchased elsewhere.)

We strongly encourage Plan Participants with individuals listed as dependents that no longer meet the Plan's definition of dependent to immediately remove those ineligible individuals from coverage.

Effective now through November 15, 2013, the Plan is offering an amnesty period to those Participants who voluntarily remove ineligible individuals previously listed as dependents. During the amnesty period, individuals self terminated will be removed from future eligibility, but no collection efforts will be pursued for claims paid in error. However, aggressive legal and collection efforts will be pursued to recover the money for any claims paid in error on behalf of ineligible dependents if such ineligibility is not self reported and is discovered as a result of the Fund's dependent audit.

WHAT YOU NEED TO DO

1. **Review the enclosed list of individuals listed as your dependents with the Fund Office and notify the Fund Office today if any of the individuals listed that do not meet the Plan's definition of dependent. (For a definition of Dependent, please see the reverse side for information.)**
2. **Notify the Fund Office of ineligible dependents by** completing and submitting the enclosed *Ineligible Dependent Form* before November 15, 2013. Note for Active Participants: Eligible dependents must remain enrolled in the Plan.
3. **MAIL or FAX** your form to:
   Carpenters Health and Welfare Trust Fund for California
   P.O. Box 2280
   Oakland, CA 94621-0180
   Fax (510) 633-0215
4. **YOU CAN EXPECT** a letter of acknowledgement from the Fund Office in response to your submission.

For more information, visit the Fund Office website at: www.carpenterfunds.com, call 1 (888) 547-2054, or email benefitservices@carpenterfunds.com.

To qualify for amnesty, all documents must be received no later than November 15, 2013

Your cooperation during this process will help the Plan control costs and protect future benefits for you and your eligible dependents. Thank you for your time and help with this process.

Sincerely,

Board of Trustees

Eligible Dependents Under the Plan

Dependent Type	Definition
Spouse	The Participant's lawful spouse
Qualified Domestic Partner	A person who resides with the Participant in the same residence, is at least 18 years of age, and the Domestic Partner and the Participant: (1) have an intimate, committed relationship of mutual caring for a period of at least 6 months and are each other's sole domestic partner; (2) share joint responsibility for each other's common welfare and financial obligations, (3) are each not married; (4) are each competent to contract; (5) are not related by blood closer than would prohibit legal marriage in the State of California; (6) have not been in a prior domestic partnership less than 6 months prior; and (7) Application for domestic partnership is properly made and all required taxes on the imputed income attributable to Domestic Partner benefits are paid to the Fund when due.
The Participant's natural child or stepchild	A Participant's natural child or stepchild: (1) who is younger than 26 years of age, (2) is married or unmarried, and (3) who has not been offered another employer sponsored health plan prior to September 1, 2014 through his or her employer, domestic partner's employer, or spouse's employer if over age 19. An unmarried child, who is 19 but less than 23 and a full time student at an accredited educational institution, even if offered other coverage, is also eligible.
The Participant's legally adopted child	A Participant's legally adopted child: (1) who is younger than 26 years of age, (2) is married or unmarried, and (3) who has not been offered another employer sponsored health plan prior to September 1, 2014 through his or her employer, domestic partner's employer, or spouse's employer if over age 19, and (4) has been placed for adoption. An unmarried child, who is 19 but less than 23 and a full time student at an accredited educational institution, even if offered other coverage, is also eligible.
The Participant's child required to be covered under a Qualified Medical Child Support Order	A child of the Participant required to be covered under a Qualified Medical Child Support Order or a National Medical Support Order.
The Participant's legal guardian child	A child for whom the Participant has been appointed legal guardian: (1) who is younger than 19 years of age (or younger than 23 and a full time student at an accredited educational institution), (2) is unmarried, and (3) is considered the Participant's dependent for federal income tax purposes.
Child of the Participant's qualified Domestic Partner	A child of the Participant's qualified Domestic Partner: (1) who is younger than 19 years of age (or younger than 23 and a full time student at an accredited educational institution), (2) is unmarried, and (3) is primarily dependent on the Participant for financial support.
Handicapped child	A child of the Participant, Participant's Spouse, or qualified Domestic Partner of any age: (1) who is unmarried, (2) who is prevented from earning a living because of mental or physical handicap, (3) who was disabled and eligible as a Dependent before age 19 (or age 23 if a full-time student), and (4) is primarily dependent on the Participant for financial support.

Grandfathered Health Plan:

The Board of Trustees of the Carpenters Health and Welfare Trust Fund for California believes the Medical 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 was already in effect when that law was enacted. Being a grandfathered health plan means that your Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventative 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 or the Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This Web site has a table summarizing which protections do and do not apply to grandfathered health plans.

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Amnesty Period "Ineligible Dependent" Form

On the reverse side of this form is a list of Dependents the Fund Office currently has on file. Please review the attached definition of "Eligible Dependents Under the Plan" sheet carefully. List any Dependents shown on the reverse side who are no longer eligible for benefits under the Plan Rules, and place an "X" in the "Remove from Coverage" column on the line that corresponds to the ineligible family member. **Any ineligible Dependents must be reported to the address listed below by November 15, 2013.** If you are uncertain about the definition of an eligible dependent under the Plan, or if you require additional information regarding those individuals you have identified as eligible, please contact the Fund Office at (888) 547-2054 or email benefitservices@carpenterfunds.com.

Please remove the following individual(s) from the Plan:

Ineligible Dependent's Name	*Relation (*)*	*CFAO ID# or Social Security Number*	*Date of Birth*	*Check to verify you wish person removed from coverage*	*Reason Dependent is no longer eligible*						*Date the Dependent became ineligible*
					Divorce	*Domestic Partner*	*Child aged 19-26 has other insurance*	*Deceased*	*Handicap*	*Other*	
Example: John Sample	Natural child	123-45-6789	10/01/1989	✘	☐	☐	✘	☐	☐	☐	8/1/2013
1.					☐	☐	☐	☐	☐	☐	
2.					☐	☐	☐	☐	☐	☐	
3.					☐	☐	☐	☐	☐	☐	

(*) Spouse, Domestic Partner, natural child, stepchild, adopted child, legal guardian child, Domestic Partner child, handicapped child, child required to be covered under a Qualified Medical Child Support Order

Generally, ineligible dependents are not entitled to COBRA continuation coverage unless your ineligible dependent was previously an eligible dependent but lost that status within the last 60 days.

By signing this form, I understand any dependents listed above will be removed from the Plan and that the information I am submitting is true and accurate.	
Participant's Name: *(Please Print)*	*Social Security Number, UBC#, or CFAO ID#:*
Participant's Signature:	*Date:*

After you have completed, signed, and dated this form, please mail it to:

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P.O. Box 2280
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Or fax the completed, signed, and dated form to (510) 633-0215.

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