

UPPER PENINSULA PLUMBERS' & PIPEFITTERS' FRINGE BENEFIT FUNDS

UP Plumbers' & Pipefitters' Health & Welfare Fund
UP Plumbers' & Pipefitters' Pension Fund
UP Plumbers' & Pipefitters' Defined Contribution Plan
UP Plumbers' & Pipefitters' Educational Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

March 2017

To: ALL PLAN PARTICIPANTS, BENEFICIARIES AND ALTERNATE PAYEES
OF THE UPPER PENINSULA PLUMBERS' & PIPEFITTERS' FRINGE BENEFIT FUNDS

Dear Plan Participants:

We have attached the following Important Notices and Annual Reports for your review:

- 2016 Summary Annual Report for the Health & Welfare Fund Pages 2-3
- Notice on Privacy Practices Page 4 - 10
- Notice on Medicare Part D – Prescription Drug Coverage Pages 11-12
- Notice concerning Women's Health and Cancer Rights Page 13
- Notice of Grandfathered Status Page 14
- 2016 Summary Annual Report for the Defined Contribution Plan Pages 15 –16

If you have any questions, please contact the Fund Office.

Sincerely,

Boards of Trustees

TO: PLAN PARTICIPANTS OF UPPER PENINSULA PLUMBERS' & PIPEFITTERS'
HEALTH & WELFARE FUND

RE: SUMMARY ANNUAL REPORT FOR THE PLAN YEAR ENDED JUNE 30, 2016

Dear Plan Participant:

This is a summary of the Annual Report of the Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund, Sponsor Identification Number 38-6111803, Plan No. 501, a self-insured fund, for the period July 1, 2015 through June 30, 2016. The Annual Report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Board of Trustees has committed itself to pay certain medical, surgical and other health care claims incurred under the terms of the Plan.

INSURANCE INFORMATION

The Plan has a contract with Blue Cross Blue Shield of Michigan and Delta Dental of Michigan to pay certain health care claims incurred under the terms of the Plan. The total premiums paid for the Plan year ending June 30, 2016 were \$301,790 and \$97,374, respectively.

BASIC FINANCIAL STATEMENT

The value of Plan Assets, after subtracting Liabilities of the Plan, was \$4,629,772 of June 30, 2016, compared to \$5,689,215 as of July 1, 2015. During the Plan Year, the Plan experienced a decrease in its Net Assets of (\$1,059,443). This decrease includes unrealized appreciation or depreciation in the value of the Plan Assets; that is, the difference between the value of the Plan Assets at the end of the year and the value of the Assets at the beginning of the year or the cost of Assets acquired during the year. During the current Plan Year, the Plan had Total Income of \$4,212,396, including Employer Contributions of \$3,446,790, Employee Contributions of \$291,768, Earnings from Investments of \$471,140, and other income of \$2,698.

Plan Expenses as of June 30, 2016 were \$5,271,839. These expenses included \$472,171 in administrative expenses (see Schedule A on following page) and \$4,799,668 in benefits paid to or on behalf of Participants and Beneficiaries. A total of 299 persons were Participants in or Beneficiaries of the Plan at the end of the Plan Year.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have a right to receive a copy of the full Annual Report or any part thereof, on request. The items listed below are included in that Report:

1. An Accountant's report;
2. Assets held for investment;
3. Transactions in excess of 5 percent of Plan Assets;
4. Financial information and information on payments to service providers; and
5. Insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full Annual Report, or any part thereof, write or call the office of the Board of Trustees, Upper Peninsula Plumbers' and Pipefitters' Health and Welfare Fund, 6525 Centurion Drive, Lansing, Michigan 48917-9275, Toll Free (800) 342-1730 or (517) 321-7502. The charge to cover copying costs will be \$5.25 for the full Annual Report or twenty-five cents per page for any part thereof.

You also have the right to receive from the Plan Administrative Manager, on request and at no charge, a Statement of the Assets and Liabilities of the Plan and accompanying notes, or a Statement of Income and Expenses of the Plan and accompanying notes, or both. If you request a copy of the full Annual Report from the Plan Administrative Manager, these two statements and accompanying notes will be included as part of that Report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the Report, because these portions are furnished without charge.

You also have the legally protected right to examine the Annual Report at the main office of the Plan (Board of Trustees, Upper Peninsula Plumbers' and Pipefitters' Health and Welfare Fund, 6525 Centurion Drive, Lansing, Michigan 48917-9275), at any location where the Annual Report is available for examination and at the U.S. Department of Labor in Washington, D.C. or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

Sincerely,

BOARD OF TRUSTEES

UPPER PENINSULA PLUMBERS' AND PIPEFITTERS HEALTH & WELFARE FUND

Schedule A – Administrative Expenses for the Health and Welfare Fund:

Contract fee	\$189,181	Trustee meeting & conference exp.	\$7,629
Administrative manager's fee*	129,344	Trustee and fiduciary liability	4,800
Legal fees	74,726	insurance and bonding	5,347
Printing and miscellaneous	13,737	Consultant fees	4,800
Audit fee	12,150	Summary annual report	2,109
Lockbox and bank service charges	11,389	Member communications	2,079
Actuarial fees	8,500	Payroll audit fees	1,938
Investment expenses	7,842	Form 5500 and 990 preparation fee	<u>1,400</u>
			<u>\$472,171</u>

* - Includes rent, equipment, staffing, postage, computer services, etc.

NOTICE OF PRIVACY PRACTICES

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Effective Date of Notice September 23, 2013

The Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund (the "Plan") is required by law to take reasonable steps to ensure the privacy of your personally identifiable health information and to inform you about:

1. the Plan's uses and disclosures of Protected Health Information (PHI);
2. your privacy rights with respect to your PHI;
3. the Plan's duties with respect to your PHI;
4. your right to file a complaint with the Plan and to the Secretary of the U.S. Department of Health and Human Services; and
5. the person or office to contact for further information about the Plan's privacy practices.

The term "Protected Health Information" (PHI) includes all individually identifiable health information transmitted or maintained by the Plan, regardless of form (oral, written, electronic).

Section 1. Notice of PHI Uses and Disclosures

Required PHI Uses and Disclosures

Upon your request, the Plan is required to give you access to your PHI in order to inspect and copy it. Use and disclosure of your PHI may be required by the Secretary of the Department of Health and Human Services to investigate or determine the Plan's compliance with the privacy regulations.

Uses and disclosures to carry out treatment, payment and health care operations.

The Plan and its business associates will use PHI without your authorization to carry out treatment, payment and health care operations. The Plan and its business associates (and any health insurers providing benefits to Plan participants) may also disclose the following to the Plan's Board of Trustees: (1) PHI for purposes related to Plan administration (payment and health care operations); (2) summary health information for purposes of health or stop loss insurance underwriting or for purposes of modifying the Plan; and (3) enrollment information (whether an individual is eligible for benefits under the Plan). The Trustees have amended the Plan to protect your PHI as required by federal law.

Treatment is the provision, coordination or management of health care and related services. It also includes but is not limited to consultations and referrals between one or more of your providers.

For example, the Plan may disclose to a treating physician the name of your treating radiologist so that the physician may ask for your X-rays from the treating radiologist.

Payment includes but is not limited to actions to make coverage determinations and payment (including billing, claims processing, subrogation, reviews for medical necessity and appropriateness of care, utilization review and pre-authorizations).

For example, the Plan may tell a treating doctor whether you are eligible for coverage or what percentage of the bill will be paid by the Plan.

Health care operations include but are not limited to quality assessment and improvement, reviewing competence or qualifications of health care professionals, underwriting, premium rating and other insurance activities relating to creating or renewing insurance contracts. It also includes case management, conducting or arranging for medical review, legal services and auditing functions including fraud and abuse compliance programs, business planning and development, business management and general administrative activities. However, no genetic information can be used or disclosed for underwriting purposes.

For example, the Plan may use information to project future benefit costs or audit the accuracy of its claims processing functions.

Uses and disclosures that require that you be given an opportunity to agree or disagree prior to the use or release.

Unless you object, the Plan may provide relevant portions of your protected health information to a family member, friend or other person you indicate is involved in your health care or in helping you receive payment for your health care. Also, if you are not capable of agreeing or objecting to these disclosures because of, for instance, an emergency situation, the Plan will disclose protected health information (as the Plan determines) in your best interest. After the emergency, the Plan will give you the opportunity to object to future disclosures to family and friends.

Uses and disclosures for which your consent, authorization or opportunity to object is not required.

The Plan is allowed to use and disclose your PHI without your authorization under the following circumstances:

- (1) For treatment, payment and health care operations.
- (2) Enrollment information can be provided to the Trustees.
- (3) Summary health information can be provided to the Trustees for the purposes designated above.
- (4) When required by law.
- (5) When permitted for purposes of public health activities, including when necessary to report product defects and to permit product recalls. PHI may also be disclosed if you have been exposed to a communicable disease or are at risk of spreading a disease or condition, if required by law.
- (6) When required by law to report information about abuse, neglect or domestic violence to public authorities if there exists a reasonable belief that you may be a victim of abuse, neglect or domestic violence. In such case, the Plan will promptly inform you that such a disclosure has been or will be made unless that notice would cause a risk of serious harm. For the purpose of reporting child abuse or neglect, it is not necessary to inform the minor that such a disclosure has been or will be made. Disclosure may generally be made to the minor's parents or other representatives although there may be circumstances under federal or state law when the parents or other representatives may not be given access to the minor's PHI.

- (7) The Plan may disclose your PHI to a public health oversight agency for oversight activities required by law. This includes uses or disclosures in civil, administrative or criminal investigations; inspections; licensure or disciplinary actions (for example, to investigate complaints against providers); and other activities necessary for appropriate oversight of government benefit programs (for example, to investigate Medicare or Medicaid fraud).
- (8) The Plan may disclose your PHI when required for judicial or administrative proceedings. For example, your PHI may be disclosed in response to a subpoena or discovery request.
- (9) When required for law enforcement purposes, including for the purpose of identifying or locating a suspect, fugitive, material witness or missing person. Also, when disclosing information about an individual who is or is suspected to be a victim of a crime but only if the individual agrees to the disclosure or the Plan is unable to obtain the individual's agreement because of emergency circumstances. Furthermore, the law enforcement official must represent that the information is not intended to be used against the individual, the immediate law enforcement activity would be materially and adversely affected by waiting to obtain the individual's agreement and disclosure is in the best interest of the individual as determined by the exercise of the Plan's best judgment.
- (10) When required to be given to a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death or other duties as authorized by law. Also, disclosure is permitted to funeral directors, consistent with applicable law, as necessary to carry out their duties with respect to the decedent.
- (11) When consistent with applicable law and standards of ethical conduct if the Plan, in good faith, believes the use or disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public and the disclosure is to a person reasonably able to prevent or lessen the threat, including the target of the threat.
- (12) When authorized by and to the extent necessary to comply with workers' compensation or other similar programs established by law.

Except as otherwise indicated in this notice, uses and disclosures will be made only with your written authorization subject to your right to revoke such authorization.

Uses and disclosures that require your written authorization.

Other uses or disclosures of your protected health information not described above will only be made with your written authorization. For example, in general and subject to specific conditions, the Plan will not use or disclose your psychiatric notes; the Plan will not use or disclose your protected health information for marketing; and the Plan will not sell your protected health information, unless you provide a written authorization to do so. You may revoke written authorizations at any time, so long as the revocation is in writing. Once the Plan receives your written revocation, it will only be effective for future uses and disclosures. It will not be effective for any information that may have been used or disclosed in reliance upon the written authorization and prior to receiving your written revocation.

Section 2 Rights of Individuals

Right to Request Restrictions on Uses and Disclosures of PHI

You may request the Plan to restrict the uses and disclosures of your PHI. However, the Plan is not required to agree to your request (except that the Plan must comply with your request to restrict a disclosure of your confidential information for payment or health care operations if you paid for the services to which the information relates in full, out of pocket).

You or your personal representative will be required to submit a written request to exercise this right. Such requests should be made to the Plan's Privacy Official.

Right to Request Confidential Communications

The Plan will accommodate reasonable requests to receive communications of PHI by alternative means or at alternative locations if necessary to prevent a disclosure that could endanger you.

You or your personal representative will be required to submit a written request to exercise this right. Such requests should be made to the Plan's Privacy Official.

Right to Inspect and Copy PHI

You have a right to inspect and obtain a copy of your PHI contained in a "designated record set," for as long as the Plan maintains the PHI. If the information you request is in an electronic designated record set, you may request that these records be transmitted electronically to yourself or a designated individual.

"Protected Health Information" (PHI) includes all individually identifiable health information transmitted or maintained by the Plan, regardless of form.

"Designated Record Set" includes the medical records and billing records about individuals maintained by or for a covered health care provider; enrollment, payment, billing, claims adjudication and case or medical management record systems maintained by or for the Plan; or other information used in whole or in part by or for the Plan to make decisions about individuals. Information used for quality control or peer review analyses and not used to make decisions about individuals is not in the designated record set.

The requested information will be provided within 30 days if the information is maintained on site or within 60 days if the information is maintained off site. A single 30-day extension is allowed if the Plan is unable to comply with the deadline.

You or your personal representative will be required to submit a written request to request access to the PHI in your designated record set. Such requests should be made to the Plan's Privacy Official.

If access is denied, you or your personal representative will be provided with a written denial, setting forth the basis for the denial, a description of how you may appeal the Plan's decision and a description of how you may complain to the Secretary of the U.S. Department of Health and Human Services.

The Plan may charge a reasonable, cost-based fee for copying records at your request.

Right to Amend PHI

You have the right to request the Plan to amend your PHI or a record about you in your designated record set for as long as the PHI is maintained in the designated record set.

The Plan has 60 days after the request is made to act on the request. A single 30-day extension is allowed if the Plan is unable to comply with the deadline. If the request is denied in whole or part, the Plan must provide you with a written denial that explains the basis for the denial. You or your personal representative may then submit a written statement disagreeing with the denial and have that statement included with any future disclosures of your PHI.

Such requests should be made to the Plan's Privacy Official.

You or your personal representative will be required to submit a written request to request amendment of the PHI in your designated record set.

Right to Receive an Accounting of PHI Disclosures

At your request, the Plan will also provide you an accounting of disclosures by the Plan of your PHI during the six years prior to the date of your request. However, such accounting will not include PHI disclosures made: (1) to carry out treatment, payment or health care operations; (2) to individuals about their own PHI; (3) pursuant to your authorization; (4) prior to April 14, 2003; and (5) where otherwise permissible under the law and the Plan's privacy practices. In addition, the Plan need not account for certain incidental disclosures.

If the accounting cannot be provided within 60 days, an additional 30 days is allowed if the individual is given a written statement of the reasons for the delay and the date by which the accounting will be provided.

If you request more than one accounting within a 12-month period, the Plan will charge a reasonable, cost-based fee for each subsequent accounting.

Such requests should be made to the Plan's Privacy Official.

Right to Receive a Paper Copy of This Notice Upon Request

You have the right to obtain a paper copy of this Notice.

Such requests should be made to the Plan's Privacy Official.

A Note About Personal Representatives

You may exercise your rights through a personal representative. Your personal representative will be required to produce evidence of his/her authority to act on your behalf before that person will be given access to your PHI or allowed to take any action for you. Proof of such authority may take one of the following forms:

1. a power of attorney for health care purposes;
2. a court order of appointment of the person as the conservator or guardian of the individual; or
3. an individual who is the parent of an unemancipated minor child may generally act as the child's personal representative (subject to state law).

The Plan retains discretion to deny access to your PHI by a personal representative to provide protection to those vulnerable people who depend on others to exercise their rights under these rules and who may be subject to abuse or neglect.

Section 3

The Plan's Duties

The Plan is required by law to maintain the privacy of PHI and to provide individuals (participants and beneficiaries) with notice of the Plan's legal duties and privacy practices.

This Notice is effective September 23, 2013, and the Plan is required to comply with the terms of this Notice. However, the Plan reserves the right to change its privacy practices and to apply the changes to any PHI received or maintained by the Plan prior to that date. If a privacy practice is changed, a revised version of this Notice will be provided to all participants for whom the Plan still maintains PHI.

The revised Notice will be distributed in the same manner as the initial Notice was provided or in any other permissible manner.

If the revised version of this Notice is posted on the Plan's website, www.upplumbpipebenefits.org, you will also receive a copy of the Notice, or information about any material change and how to receive a copy of the Notice in the Plan's next annual mailing. Otherwise, the revised version of this Notice will be distributed within 60 days of the effective date of any material change to the Plan's policies regarding the uses or disclosures of PHI, the individual's privacy rights, the duties of the Plan or other privacy practices stated in this Notice.

Minimum Necessary Standard

When using or disclosing PHI or when requesting PHI from another covered entity, the Plan will make reasonable efforts not to use, disclose or request more than the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure or request, taking into consideration practical and technological limitations. When required by law, the Plan will restrict disclosures to the limited data set, or otherwise as necessary, to the minimum necessary information to accomplish the intended purpose.

However, the minimum necessary standard will not apply in the following situations:

1. disclosures to or requests by a health care provider for treatment;
2. uses or disclosures made to the individual;
3. disclosures made to the Secretary of the U.S. Department of Health and Human Services;
4. uses or disclosures that are required by law; and
5. uses or disclosures that are required for the Plan's compliance with legal regulations.

De-Identified Information

This notice does not apply to information that has been de-identified. De-identified information is information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used to identify an individual.

Summary Health Information

The Plan may disclose "summary health information" to the Trustees for obtaining insurance premium bids or modifying, amending or terminating the Plan. "Summary health information" summarizes the claims history, claims expenses or type of claims experienced by participants and excludes identifying information in accordance with HIPAA.

Notification of Breach

The Plan is required by law to maintain the privacy of participants' PHI and to provide individuals with notice of its legal duties and privacy practices. In the event of a breach of unsecured PHI, the Plan will notify affected individuals of the breach.

Section 4 **Your Right to File a Complaint With the Plan or the HHS Secretary**

If you believe that your privacy rights have been violated, you may complain to the Plan. Such complaints should be made to the Plan's Privacy Official.

You may file a complaint with the Secretary of the U.S. Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue SW, Washington, D.C. 20201.

The Plan will not retaliate against you for filing a complaint.

Section 5 **Whom to Contact at the Plan for More Information**

If you have any questions regarding this notice or the subjects addressed in it, you may contact the Plan's Privacy Official. Such questions should be directed to the Plan's Privacy Official at: Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund, 6525 Centurion Drive, Lansing, Michigan 48917, (800) 342-1730.

Conclusion

PHI use and disclosure by the Plan is regulated by a federal law known as HIPAA (the Health Insurance Portability and Accountability Act). You may find these rules at 45 *Code of Federal Regulations* Parts 160 and 164. The Plan intends to comply with these regulations. This Notice attempts to summarize the regulations. The regulations will supersede any discrepancy between the information in this Notice and the regulations.

**IMPORTANT NOTICE FROM UPPER PENINSULA PLUMBERS' & PIPEFITTERS'
HEALTH & WELFARE FUND
ABOUT YOUR PRESCRIPTION DRUG COVERAGE AND MEDICARE**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

These are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund has determined that the prescription drug coverage offered by the Fund is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

WHEN CAN YOU JOIN A MEDICARE DRUG PLAN?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

WHAT HAPPENS TO YOUR CURRENT COVERAGE IF YOU DECIDE TO JOIN A MEDICARE DRUG PLAN?

If you do decide to join a Medicare drug plan and drop your current Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund coverage, be aware that you and your dependents will not be able to get this coverage back.

WHEN WILL YOU PAY A HIGHER PREMIUM (PENALTY) TO JOIN A MEDICARE DRUG PLAN?

You should also know that if you drop or lose your current coverage with Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

FOR MORE INFORMATION ABOUT THIS NOTICE OR YOUR CURRENT PRESCRIPTION DRUG COVERAGE...

Contact the Fund Office at (800) 342-1730 for further information. Note: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund changes. You also may request a copy of this notice at any time.

FOR MORE INFORMATION ABOUT YOUR OPTIONS UNDER MEDICARE PRESCRIPTION DRUG COVERAGE...

For more information about Medicare plans that offer prescription drug coverage it is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov. or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Sincerely,

UPPER PENINSULA PLUMBERS' & PIPEFITTERS' HEALTH & WELFARE FUND
Board of Trustees

**SAVE THIS LETTER AS IT IS YOUR MEDICARE PART D
CERTIFICATE OF CREDITABLE COVERAGE**

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

**TO: PLAN PARTICIPANTS OF THE
UPPER PENINSULA PLUMBERS' & PIPEFITTERS' HEALTH & WELFARE FUND**

RE: WOMEN'S HEALTH AND CANCER RIGHTS

Dear Plan Participant:

Due to changes in Federal law, the Trustees of your Health and Welfare Fund are issuing this annual notice in compliance with the Women's Health and Cancer Rights Act of 1998 ("WHCRA"). Your Health and Welfare Plan already provides the benefits required by this new law. You have a right to this notice, and the Trustees are providing the notice for your information so that you may be assured that you are treated in accordance with Federal law if the need arises.

The Federal law requires that all health care plans that provide medical and surgical benefits for mastectomies provide, Participants and Beneficiaries receiving mastectomy benefits and who elect mastectomy related breast reconstruction with coverage for the following:

- **All stages of reconstruction of the breast on which the mastectomy has been performed;**
- **Surgery and reconstruction of the other breast to produce a symmetrical appearance;**
- **Prostheses; and**
- **Physical complications of all stages of mastectomy including lymphedemas; in a manner determined in consultation with the attending physician and the patient.**

Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage.

The Fund, as required by WHCRA, has provided coverage for mastectomies for a number of years. As part of this coverage, the Plan also covered the procedures necessary to effect reconstruction of the breast on which the mastectomy was performed, as well as the cost of prostheses and physical complications of all stages of mastectomy, including lymphedemas, as recommended by the attending physician of any patient receiving Plan benefits in connection with the mastectomy and in consultation with the patient. The Plan also covers any surgery and reconstruction of the other breast to achieve a symmetrical appearance.

Please keep this notice with your Summary Plan Description. If you have any questions regarding these federal requirements, please contact the Fund Office at (800) 342-1730.

Sincerely,

BOARD OF TRUSTEES
UPPER PENINSULA PLUMBERS' & PIPEFITTERS' HEALTH & WELFARE FUND

**TO: PLAN PARTICIPANTS OF THE
UPPER PENINSULA PLUMBERS' & PIPEFITTERS' HEALTH & WELFARE FUND**

RE: NOTICE OF GRANDFATHERED STATUS

Dear Plan Participant:

The Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund believes that the 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 preventive 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 at Board of Trustees, Upper Peninsula Plumbers' & Pipefitters' Health & Welfare Fund, 6525 Centurion Drive, Lansing, Michigan 48917, (517) 321-7502. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (866) 444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

If you have any questions regarding this information, please do not hesitate to contact the Fund Office.

Sincerely,

BOARD OF TRUSTEES
UPPER PENINSULA PLUMBERS' & PIPEFITTERS' HEALTH & WELFARE FUND

TO: PLAN PARTICIPANTS OF
UPPER PENINSULA PLUMBERS' & PIPEFITTERS' DEFINED CONTRIBUTION PLAN

RE: SUMMARY ANNUAL REPORT FOR THE PLAN YEAR ENDED JUNE 30, 2016

Dear Plan Participant:

This is a summary of the Annual Report for the Upper Peninsula Plumbers' & Pipefitters' Defined Contribution Plan, Sponsor Identification Number 38-3296005, Plan No. 001, for the period July 1, 2015 through June 30, 2016. The Annual Report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

BASIC FINANCIAL STATEMENT

Benefits under the Plan are provided by a Trust. Plan Expenses were \$450,353. These Expenses included \$94,068 in Administrative Expense (See Schedule A on following page), and \$356,285 in benefits paid to Participants and Beneficiaries. A total of 400 persons were Participants in or Beneficiaries of the Plan at the end of the Plan Year, although not all of these persons had yet earned the right to receive benefits.

The value of Plan Assets, after subtracting Liabilities of the Plan, was \$11,106,376 as of June 30, 2016, compared to \$10,904,254 as of July 1, 2015. During the Plan Year, the Plan experienced an increase in its Net Assets of \$202,122. This increase includes unrealized appreciation or depreciation in the value of the Plan Assets; that is, the difference between the value of the Plan Assets at the end of the year and the value of the Assets at the beginning of the year or the cost of Assets acquired during the year. During the current Plan Year, the Plan had Total Income of \$652,475 including Employer Contributions of \$837,842, employee contributions of \$54,815, Realized Loss of (\$1,927) from the sale of Assets, losses from investments of \$238,356 and other Income of \$101.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have a right to receive a copy of the full Annual Report or any part thereof, on request. The items listed below are included in that Report.

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment;
4. Transactions in excess of 5 percent of Plan Assets; and
5. Insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the office of the Board of Trustees, Upper Peninsula Plumbers' and Pipefitters' Defined Contribution Plan, 6525 Centurion Drive, Lansing, Michigan 48917-9275, Toll Free at (800) 342-1730 or (517) 321-7502. The charge to cover copying costs will be \$4.75 for the full Annual Report or twenty-five cents per page for any part thereof.

You also have the right to receive from the Plan Administrative Manager, on request and at no charge, a Statement of the Assets and Liabilities of the Plan and accompanying notes, or a Statement of Income and Expenses of the Plan and accompanying notes, or both. If you request a copy of the full Annual Report from the Plan Administrative Manager, these two statements and accompanying notes will be included as part of that Report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the Report, because these portions are furnished without charge.

Additionally, you also have the legally protected right to examine the Annual Report at the main office of the Plan (Board of Trustees, Upper Peninsula Plumbers' and Pipefitters' Defined Contribution Plan, 6525 Centurion Drive, Lansing, Michigan 48917-9275), any location where the Annual Report is available for examination and at the U.S. Department of Labor in Washington, D.C. or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

Sincerely

BOARD OF TRUSTEES
UPPER PENINSULA PLUMBERS' AND PIPEFITTERS' DEFINED CONTRIBUTION PLAN

Schedule A- Administrative Expenses for the Defined Contribution Plan:

Investment expenses	\$38,456
Legal fees	22,225
Administrative manager's fee*	13,860
Audit fee	6,900
Trustee and fiduciary liability	
Insurance and bonding	5,757
Printing and miscellaneous	3,087
Collection fees	1,183
Lockbox and bank service charge	1,167
Form 5500 preparation fee	700
Summary annual report costs	433
Meeting expenses	<u>300</u>
Total	\$94,068

* - Includes rent, equipment, staffing, postage, computer services, etc.