

AMENDMENT NO. 12
to the
MEDICAL EXPENSE REIMBURSEMENT PLAN
of the
HEALTH PROFESSIONALS AND ALLIED EMPLOYEES, AFT/AFL-CIO
RETIREE MEDICAL TRUST

The Board of Trustees of the Health Professionals and Allied Employees, AFT/AFL-CIO Retiree Medical Trust does hereby amend the "Medical Expense Reimbursement Plan, restated, effective August 1, 2014" (the "Plan," 4/10/14 Ed.).

A. Under Article II Entitlement to Benefits.

1. The first sentence of Section 2.1(b) is revised to read as follows:

"An Employee who separates from employment with a Participating Employer prior to earning five years of Active Service, or who elects an Employee Account benefit pursuant to Section 3.3(b) hereof, is a "Limited Beneficiary" under this Plan."

2. The following subsection (4) is added to Section 2.1(b):

"(4) The Employee qualifies as a Regular Beneficiary under Section 2.1(a) hereof, meets the age requirements of this Section 2.1(b), and elects an Employee Account benefit pursuant to Section 3.3(b) hereof."

3. The following subsection (c) is added to Section 2.1(c)(2):

"c. The Employee qualifies as a Regular Beneficiary under Section 2.1(a) and elects an Employee Account benefit pursuant to Section 3.3(b) hereof."

4. The following subsection (4) is added to Section 2.1(c):

"(4) *Investment Earnings and Losses on Employee Accounts.*

- a. Generally, neither past nor future investment earnings will be added to the Employee Account balance for an Employee who qualifies as a Limited Beneficiary under this Section.
- b. However, at the time of establishing an Employee Account pursuant to Section 2.1(b)(4) (for certain Regular Beneficiaries), the Trust Office will calculate and add to (or subtract from) the Employee Account balance the actual past investment earnings (or losses) on Contributions on behalf of the Employee, according to rules set by the Trustees, which were earned (or lost) during the period that the Plan received contributions on the Employee (including COBRA contributions), until the Trust Office receives an Election Form from the Beneficiary pursuant to Section 3.3(b) hereof. No future investment earnings or losses occurring after receipt of the Election Form will be allocated to the Employee Account."

B. Under Article III Benefits.

1. A new Subsection 3.3(b) is added as follows and the remaining subsections are renumbered accordingly:

“(b) Regular Beneficiary with Low Benefit.

- (1) An Employee who qualifies as a Regular Beneficiary may elect an Employee Account benefit, instead of the monthly benefit calculated pursuant to Section 3.3(a), if the Employee Account balance for the Employee calculated pursuant to Section 2.1(c) hereof, on the date that he or she attains the eligibility age in Section 2.1(b), would be less than \$5,000.
- (2) The Employee can make this election by signing and submitting an Employee Account Election Form provided by the Trust Office and approved by the Trustees for this purpose, as long as the signed Election Form is received by the Trust Office prior to the first benefit payment.
- (3) This is an irrevocable election; upon receipt of the signed Election Form at the Trust Office, the Employee, and his or her Beneficiaries, will become a Limited Beneficiary under this Plan, subject to all the rules of Section 3.5 hereof.”

2. Newly renumbered Section 3.3(d), “Surviving Spouses and Children,” is revised to read as follows:

“(d) Surviving Spouses and Children.

- (1) The benefit level for a Surviving Spouse (with or without surviving Children) shall be 50% of the benefit level for the Regular Beneficiary. If there is no Surviving Spouse or Domestic Partner and there are surviving Children, the benefit level shall be 50% of the benefit level for the Regular Beneficiary (to be divided equally among the Children).
- (2) If a Regular Beneficiary has accumulated unused benefit amounts pursuant to Section 3.3(e) hereof, then the Surviving Spouse or Domestic Partner shall be entitled to such amounts. If there is no Surviving Spouse or Domestic Partner, then the surviving Children shall be entitled to such amounts (to be divided equally among the Children).
- (3) If an Employee dies before receiving any benefit payments from this Plan and would have been eligible to make an election under Section 3.3(b) if he or she had lived, then the Surviving Spouse can make the election under Section 3.3(b) by signing and submitting the Employee Account Election Form to the Trust Office prior to receipt of the first benefit payment by the Surviving Spouse or Surviving Children. The Surviving Spouse will be eligible to make the election in Section 3.3(b) on or after the date that the deceased Employee would have attained the eligibility age under Section 2.1(a)(2). This is an irrevocable election; upon receipt of the signed Election Form at the Trust Office, the Surviving Spouse and Surviving Children will become Limited Beneficiaries under this Plan, subject to Section 3.5 hereof.”

Adopted by the Board of Trustees on this 11th day of February 2019, and effective for first claim paid to a Beneficiary on or after April 1, 2019.

**For the BOARD OF TRUSTEES,
HEALTH PROFESSIONALS AND ALLIED EMPLOYEES, AFT/AFL-CIO
BENEFIT TRUST**



Trustee

Mike Stott

Print name

5/6/19

Date



Trustee

Roy S. Parik

Print name

5/6/19

Date