

## **2018 SUMMARY ANNUAL REPORT FOR CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS HEALTH AND WELFARE PLAN ACTIVE PLAN**

This is a summary of the annual report (Form 5500) of the Central States, Southeast and Southwest Areas Health and Welfare Plan Active Plan (Plan No. 501) having EIN 36-2154936 for the period beginning January 1, 2018 and ending December 31, 2018. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Trustees of Central States, Southeast and Southwest Areas Health and Welfare Fund have committed themselves to pay certain health, life insurance, dental, vision, temporary and long-term disability, and accidental death and dismemberment benefit claims incurred under the terms of the plan.

### **Basic Financial Statement**

The value of plan assets, after subtracting liabilities of the plan, was \$5,808,310,578 as of December 31, 2018, compared to \$5,524,489,865 as of January 1, 2018. During the plan year the plan experienced an increase in its net assets of \$283,820,713. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's 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 plan year, the plan had total income of \$3,272,529,162, including employer contributions of \$3,291,733,281, employee contributions of \$6,125,025, realized loss of \$38,045,300 from the sale of assets, and earnings from investments of \$12,643,115. Plan expenses were \$2,988,708,449. These expenses included \$166,755,190 in administrative expenses and \$2,821,953,259 in benefits paid to participants and beneficiaries.

### **Your Rights to Additional Information**

You have the right to receive a copy of the Plan's 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. fiduciary information;
5. transactions in excess of 5 percent of the plan assets; and
6. information regarding any common or collective trusts in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write the Research and Correspondence Department, TeamCare – A Central States Health Plan, PO Box 5126, Des Plaines, Illinois 60017-5126, or call 800-TEAMCARE (832-6227).

You also have the right to receive from the plan administrator, on request and at no charge, a statement of 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 administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the Central States, Southeast and Southwest Areas Health and Welfare Fund's office located at 8647 West Higgins Road, Chicago, Illinois 60631-2803, 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, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

This report contains an English summary of the Health and Welfare Active Plan for the year beginning January 1, 2018, and ending December 31, 2018. If you have difficulty in understanding this report, please write the Research and Correspondence Department, TeamCare – A Central States Health Plan, PO Box 5126, Des Plaines, Illinois 60017-5126, or call 800-TEAMCARE (832-6227).

Este informe contiene un resumen en inglés de las actividades financieras del Health and Welfare Active Plan para el año comenzando el primero de Enero del 2018 y terminando el 31 de Diciembre del 2018. Si usted tiene dificultad en entender este informe, por favor escriba al Research and Correspondence Department, TeamCare – A Central States Health Plan, PO Box 5126, Des Plaines, Illinois 60017-5126, o puede llamar 800-TEAMCARE (832-6227).

## SUMMARY OF MATERIAL MODIFICATIONS

**PAP TESTS:** Effective January 1, 2019, the plan provides for an annual Pap test irrespective of the age of the Covered Individual.

**SUPPLEMENTS:** Effective January 1, 2019, the plan provides for nutritional supplements for Covered Individuals with Phenylketonuria.

**PLANS AB, AK, CK:** Effective January 1, 2019, the life insurance benefits are as follows:

Member Death	\$40,000
Accidental Death	\$40,000
Spouse Death*	\$4,000
Child/Adult Child Death*	\$2,000
Total Permanent Disability	\$16,000

\*Dependent life insurance benefits are only payable on covered dependents

**PLAN NQ:** Effective January 1, 2019, the in-network vision benefit frames allowance is \$150, the progressive lenses copay is \$60, and the contacts allowance is \$120.

**PLAN S:** Effective January 1, 2020, Plan S coverage is no longer available to members eligible under Plan C6.

**PLAN U2:** Effective April 28, 2019, the plan no longer has an annual dental benefit and the orthodontic benefit is 50% with no lifetime maximum.

Effective April 28, 2019, the short-term disability benefit provides 60% of the average weekly base pay up to \$500 per week for a maximum of 26 weeks; and includes continued coverage while on short-term disability.

Effective April 28, 2019, the life insurance benefits are as follows:

Member Death	2080 hours x hourly wage to maximum of \$100,000 (minimum of \$40,000)
Accidental Death	2080 hours x hourly wage to maximum of \$100,000 (minimum of \$40,000)
Spouse Death*	\$5,000
Child/Adult Child Death*	\$2,500
Total Permanent Disability	\$16,000

\*Dependent life insurance benefits are only payable on covered dependents

## **GRANDFATHERED PLAN NOTICE**

This group health plan believes all of its plans other than the UPS Freight Option A plans (UA, UC, UM, UN), the UPS Package Kaiser Permanente HMO option plans (U5 and U7) and plans 2N, 5N, 5S, A5, AB, AK, AN, B5, BA, BK, BN, CK, DK, M5, N1, N3, N5, N6, N8, NM, NN, R3 and WK are “grandfathered health plans” 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 Research and Correspondence Department, TeamCare – A Central States Health Plan, PO Box 5126, Des Plaines, IL 60017-5126, or call 800-TEAMCARE (832-6227). You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 866-444-3272 or [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform). This website has a table summarizing which protections do and do not apply to grandfathered health plans.

## **WOMEN’S HEALTH & CANCER RIGHTS**

Do you know that your plan, as required by the Women’s Health and Cancer Rights Act of 1998, provides benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema?

Call your plan administrator at 800-TEAMCARE (832-6227) or visit [MyTeamCare.org](http://MyTeamCare.org) for more information.

## **NOTICE OF PRIVACY POLICY**

The Central States, Southeast and Southwest Areas Health and Welfare Fund (“Central States”) restricts access to your personal health information to only those entities having a right to the information. To obtain a copy of Central States’ Notice of Privacy Practices, call 800-TEAMCARE (832-6227), visit our website at <https://myteamcare.org/-/media/Files/Forms-and-Documents/Members/HIPAA/TeamCare-Notice-of-Privacy-Practices-PHI.pdf> or write to us at Privacy Officer, TeamCare – A Central States Health Plan, PO Box 5125, Des Plaines, IL 60017-5125.