

For Your Benefit

IMPORTANT NOTICE

Pre-Medicare Retiree Coverage Changes Effective January 1, 2016

As a result of collective bargaining, health and welfare benefits for non-Medicare retirees under the FELRA & UFCW Retiree Health and Welfare Plan (“Retiree Plan”) will end effective December 31, 2015. This means that you will no longer receive medical, dental, optical, prescription drug or any other coverage under the Retiree Plan. Further, you no longer will owe a monthly co-payment to the Retiree Plan.

Instead, you’ll be eligible for a monthly stipend of \$350 from the Retiree Assistance Program, a new program under the FELRA and UFCW VEBA Fund (formerly known as the FELRA and UFCW Health and Welfare Fund). You will receive this stipend until you become Medicare-eligible, at which point you will be given a one-time opportunity to enroll in Medicare supplemental coverage under the Retiree Plan. You may use the stipend for any purpose, including but not limited to paying for individual healthcare coverage obtained through a state or federal marketplace.

Eligibility for the Stipend

If you retired before age 65 and are currently eligible for the Retiree Plan’s pre-Medicare retiree health coverage,

you are considered a pre-Medicare retiree and you will be eligible for the \$350/month stipend from the Retiree Assistance Program, effective January 1, 2016. Your eligibility for the stipend will continue until you become eligible for Medicare.

How the Stipend Works

The Fund Office will deposit your stipend into the same bank account in which your pension check is deposited, or you may elect to receive your stipend by paper check each month. When you become eligible for Medicare, the stipend will end and you will have a one-time opportunity to enroll in the Retiree Health Plan’s Medicare supplemental benefit coverage.

Dependent Coverage

Only dependents who previously were covered as your dependent under the Retiree Plan or the Active Plan are eligible to be covered under the Retiree Assistance Program.

When Your Dependent Becomes Eligible for Medicare

Once your dependent becomes Medicare eligible, you no longer will receive a monthly stipend from the Retiree Assistance Program on your dependent’s behalf. However, your



Summary Annual Report in This Issue!

FELRA & UFCW Health and Welfare Fund

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dependent will be offered a one-time opportunity to enroll for Medicare supplemental coverage under the Retiree Plan. Dependents eligible for Medicare as of January 1, 2016, or who become eligible for Medicare thereafter, may receive benefits under the Fund's Kaiser Permanente Medicare HMO Program if you live in the Kaiser Permanente service area. If you do not reside in the Kaiser Permanente service area, your dependent may be covered under the Retiree Plan's Medicare Supplemental Program. Prescription benefits are included under the Kaiser Permanente Medicare HMO, through Kaiser Permanente. Prescription Benefits for those not in the Kaiser Permanente service area and covered by the Fund's Medicare Supplemental Program are

through Express Scripts. You must complete an enrollment form on behalf of your dependent (which will be mailed to you prior to your dependent's Medicare eligibility date) and your dependent must elect Medicare Part B at the earliest date she/he is eligible for it. If you do not respond, benefits through the Fund end and you will no longer be able to enroll your dependent. If you or your dependent(s) join a Medicare Part D prescription program, Fund prescription benefits will be terminated.

Transition Assistance

While you are not required to use your monthly stipend from the Retiree Assistance Program to help pay for an individual medical plan, that is one

option. To assist retirees who are interested in purchasing an individual medical plan through the applicable state or federal healthcare marketplace, the Fund has contracted with The Woodard Agency, an insurance brokerage firm, to help you understand your coverage options and to help you enroll in medical or other supplemental coverage if you are interested in doing so. In addition to helping you find medical coverage, Woodard can help you find the following types of supplemental coverage:

- Dental coverage
- Vision coverage
- Critical illness insurance
- Life insurance



**Material
Modifications**



Health and Welfare Fund Renamed the VEBA Fund

Effective July 17, 2015, the Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Fund is renamed the Food Employers Labor Relations Association and United Food and Commercial Workers VEBA Fund. All references in your SPD to the "Fund" refer to the FELRA and UFCW VEBA Fund.

This is a change in the name of the Fund only. It does not change the Plan design.

Spousal Surcharge Waived If He/She Is A Participant in The Plan

The following Summary of Material Modifications ("SMMs") applies to participants under the FELRA & UFCW Active Health and Welfare Plan whose medical coverage is provided through the Fund, not an HMO.

Effective July 17, 2015, the \$20 per week spousal surcharge paid by a participant whose covered spouse is eligible for health coverage through the spouse's employer is waived for any participant whose spouse is also a participant in the Plan. Any other payroll deductions applicable to the participant will continue to apply.

Legal Benefits for Those Hired On or After January 1, 2014

The following benefits are available to eligible participants who began working for a Participating Employer on or after January 1, 2014, and their eligible dependents.

General

1. 24 Hour Telephone Numbers. Available in the event of an emergency so you can contact a provider.
2. Legal Consultations—All Areas. An unlimited number.
3. Legal Document Review. Unlimited consultations for the purpose of reviewing and revising legal documents not incident to litigation.
4. Notary Service. Unlimited use of a notary public designated by a provider.
5. Preparation of Simple Legal Documents. Preparation of an unlimited number of simple legal documents not incident to litigation, including power of attorney, bills of sale, affidavits, other simple documents.

Note: All recordation fees and court costs are your responsibility.

Consumer

1. Bankruptcy—Representation for purposes of filing a personal bankruptcy petition regardless of assets.
2. Wage Earners' Plans—Representation should you have to file a Wage Earners' Plan pursuant to the Bankruptcy Code.
 - Bankruptcy filed jointly by husband and wife, in which a spouse is a dependent, are subject to an additional fee of \$250.
3. Excessive Interest and Late Charges—Representation.
4. Medical Insurance Claims not involving the employer, union, or FELRA & UFCW VEBA Fund.
5. Garnishment Actions—Representation in a garnishment proceeding.

6. Personal Property Repossessions—Representation.
7. Enforcement of Warranties—Representation.
8. Consumer Rights/Problems with Credit Ratings—Representation.
9. Collecting/Defending an Action on a Debt—
10. Representation in an action for or against you.

****Court appearances are limited to matters in which the controversy exceeds \$1,200****

Criminal

1. Juvenile Participant or Dependent—Representation for any charge lodged in juvenile court against you or your eligible dependent.
2. Adult Participant or Dependent Accused of Misdemeanor—Representation in connection with any misdemeanor charge brought against you or your eligible dependent.
3. Adult Participant or Dependent Accused of a Felony—Representation by Akman and Associates, P.C. at a flat fee quoted in advance, or by Robert A. Ades and Associates, P.C. at a fixed rate of \$1,500.

****In cases of Criminal Law matters, participants are eligible for 10 hours of legal representation. The majority of these matters will be completed in less than 10 hours. In the instances in which the matter is in excess of the 10 hour maximum covered under the Schedule of Benefits, you are eligible for representation by Akman and Associates, P.C., or by Robert A. Ades and Associates, P.C. at an hourly rate of \$80.**

Family Law

1. Uncontested Divorce or Annulment—Representation.
2. Contested Divorce or Annulment (maximum 5 hours attorney's time)—Representation.
3. Uncontested Adoption—Representation.
4. Contested adoption (maximum 5 hours attorney's time)—Representation.
5. Plaintiff/Defendant in a Support Action—Representation in the prosecution or defense of an action to collect, increase, or decrease support and maintenance for you or your minor children.
6. Plaintiff/Defendant in a Custody/Visitation Action (maximum 5 hours attorney's time)—Representation when you are the plaintiff or defendant in an action for custody of your minor children and/or visitation rights.
7. Guardianship—Representation for you if you are the petitioner in a guardianship proceeding.
8. Ante Nuptial/Post Nuptial/Property Settlement Agreements—Representation relating to the negotiations, preparations, execution, or any other matters related to an ante nuptial, post nuptial, or property settlement agreement, including preparation of a Qualified Domestic Relations Order ("QDRO").
9. Name Change—Representation when you seek to have your name legally changed by a court of competent jurisdiction.
10. Paternity—Representation in action to establish paternity of a minor child.

11. Birth Certificate—Services and representation when necessary to establish a birth certificate or to obtain any information on, move for any changes to, or establish the existence of, a birth certificate.
12. Child Neglect—Representation.

****In cases of Family Law matters in excess of the 5 hour maximum covered under the Schedule of Benefits, you are eligible for representation by Akman and Associates, P.C. or by Robert A. Ades and Associates, P.C. at an hourly rate of \$80.**

****All Family Law benefits listed above generally are limited in coverage to participants only, in order to avoid any conflict of interest. However, in situations where there is no conflict, or a participant chooses to waive any conflict, dependents will be able to utilize the services of Akman and Associates, P.C. or Robert A. Ades and Associates, P.C. at a reduced hourly rate.**

Real Estate/Landlord-Tenant (For Primary Residence Only)

1. Landlord Tenant, Consultation—Consulting services concerning any landlord/tenant dispute incident to the rental of your personal dwelling. Consultation includes a review of the lease/agreement.
2. Landlord Tenant, Negotiations—Representation with respect to the negotiations with a landlord or his agent regarding any landlord/tenant dispute with respect to your personal residence, including lease negotiations or rent increases.
3. Landlord Tenant, Rental Accommodations (D.C. only)—Representation when you are sued for possession of a rental unit dwelling and/or the violation of any lease provisions. Representation regarding an increase in rent before the local rental accommodations commission or anyone with jurisdiction over rental increases.
4. Real Estate Settlements, Seller—Representation incident to the sale

of residential real property by you.

5. Post Settlement Breach of Warranty—Representation regarding any claim you may have against the seller of real property for a breach of warranty after you purchase your residence.
6. Violation of Property Owner's Covenants—Representation when you are charged with violating any by laws, covenants, or agreements incident to the ownership of your residence.
7. Zoning Violations—Representation in any zoning violation charges brought against you with respect to your residence by a local, federal, or state jurisdiction.
8. Negotiation of a Contract for Purchase or Sale of Residence (including condominium).

Wills, Powers of Attorney, and Advance Medical Directives

1. Preparation of Simple Wills.
2. Preparation of Codicil to Wills.
3. Preparation of Power of Attorney.
4. Preparation of Advance Medical Directive.
5. Consultation Regarding Estate Planning.
6. Contested Will Litigation—Representation in a contested will action, but only in the court of original jurisdiction for such matters (i.e., no appeals to higher courts).
7. Complex Will—Complex wills include a will with trust, trusts for benefit of minor children, provision for a charitable bequest, creation of life estates, insurance trusts, or other complex provisions.

Probate And Administration Of Estates

1. Conservatorship—Representation when you file an application to establish a conservatorship for a relative.
2. Assistance in the Administration of Estate (less than statutory amount)—Assistance and

representation with respect to your appointment as personal representative of an estate for which no formal probate proceedings are required.

3. Probate of an Estate—Representation with respect to the probating of an estate when you are named the personal representative of the estate or when, because of your relationship to the deceased, you are eligible to act as the personal representative of the estate of the deceased who dies without a will. The provider will be entitled to a fee from the estate not to exceed 75% of the prevailing attorney's fee charged for similar matters in the jurisdiction where the estate is probated.

Motor Vehicle Violations

1. Driving While Intoxicated, Court Appearance—Representation is limited to court proceedings and includes administrative hearings incident to the charges.
2. Operating a Motor Vehicle after Suspension or Revocation of Driving Privileges—Representation.
3. Leaving the Scene after a Collision—Representation.
4. Fleeing and Eluding a Police Officer—Representation.

****In cases of Motor Vehicle Violation matters, participants are eligible for 10 hours of legal representation. The majority of these matters will be completed in less than 10 hours. In the instances in which the matter is in excess of the 10 hour maximum covered under the Schedule of Benefits, you are eligible for representation by Akman and Associates, P.C., or by Robert A. Ades and Associates, P.C. at an hourly rate of \$80.**

Personal Injury And Property Damage

1. Preparation and Assistance in the Filing of Insurance Claims with Your Automobile Insurance Company.
2. Contingency Fee Cases, Plaintiff (Participant and Dependent)—

Representation in legal matters for which counsel is normally compensated on the basis of a contingency fee. The provider will charge a maximum of 28% of any recovery obtained by you through settlement prior to filing suit in a matter. If a suit is filed, the provider will charge a maximum of 33¹/₃% of any recovery obtained through settlement or the result of a trial. If there is no recovery on your claim, the provider will charge no legal fees.

3. Defense of Liability Actions— Representation if there is no third party insurance coverage.
4. Defense of Personal Injury and Property Damage Cases— Representation in defense of any action involving personal injury or property damage in excess of \$1200 in damages. No representation will be provided in actions for which you have third party insurance coverage.

WHAT IS NOT COVERED
Legal representation will *not* be provided for the following matters:

1. Those pertaining to your trade or business.
2. Those pertaining to the management, conservation, or preservation of property held by you for the production of income.
3. Those pertaining to the production or collection of income by you.
4. Real estate matters other than those related to your personal residence.
5. Participation in class action or as amicus curiae except if the provider determines that services under the Fund are most appropriately provided that way. Such a decision by the provider must be approved by the Board of Trustees.
6. Any matter that is frivolous or brought for the purpose of harassment.

7. Patents and copyrights.
8. Preparation of federal or state tax returns, representation at tax audits, tax litigation, or appeal of tax assessment on real property.
9. Disputes involving a Participating Employer or participating local union or their officers and agents, including labor disputes, workers' compensation, unemployment compensation, or discrimination charges and suits.
10. Disputes involving any other employee benefit plan in which a Participating Employer or participating local union participates, or a provider of service to such a plan.
11. Disputes with respect to this Fund, including questions as to whether legal services are available under the Fund.
12. Matters where legal services are available to you free of charge, such as legal counsel by an insurance company, litigation involving a government agency, or legal representation by an employer or third party. This does not exclude representation when you are eligible for free legal representation because of your financial circumstances.
13. Disputes between participants of this Fund except as noted in the section "Provider's Inability To Provide Representation."
14. Any legal proceeding or cause of action prior to the eligibility date of your participation in the Fund.
15. All matters on the Appellate level.
16. Covered services outside the geographic area of the Fund as defined by the Board of Trustees.
17. Personal bankruptcy proceedings not under Chapters Seven and Thirteen of the Bankruptcy Code.
18. Dependent benefits for Safeway employees covered by the Zone B Addendum to the Richmond Division Collective bargaining agreement with UFCW Local 400.

19. Dependent benefits for employees of Giant 400 Charlottesville covered under a reduced contribution rate are not covered.
20. Employees of Giant 400 Charlottesville are not eligible for benefits relating to criminal misdemeanors.
21. Employees of Giant 400 Charlottesville are not eligible for benefits relating to incarcerable traffic cases.

****In the event that you have a legal matter not included in the Schedule of Benefits and not excluded in this section, Local 27 and Local 400 participants and dependents are eligible for discounted legal services from Akman and Associates, P.C. or Robert A. Ades and Associates, P.C. Please contact Akman & Associates, P.C. or Robert A. Ades and Associates, P.C. in order to discuss your matter and any potential fees.**

Required Payments

The Plan does not cover the payment of any fines, penalties, deposition costs, recordation fees, expert witness fees, court costs, taxes, judgments, or money awards of any kind.

Provider's Inability To Provide Representation

There may be some infrequent situations in which a provider is unable to provide legal representation to a participant who would otherwise be entitled to representation under the Plan. This may occur as a result of a conflict of interest or other instance that would adversely affect the participant's representation. On this occasion, provider will present the participant with a list of qualified attorneys who can assist them in this matter, as well as guidance in the early stages of the matter and in retaining outside counsel.



You Must Use a CareFirst In-Network Provider to Receive Medical Coverage

The following article applies to participants in Plans X, XX and XXX who have Fund coverage, not HMO coverage.

You must use a CareFirst provider to have coverage for hospital, medical, or surgical benefits under the Fund, with the exception of: (1) services provided by pathologists, anesthesiologists, and radiologists at an in-network facility; (2) emergency admission; (3) emergency room services; and (4) emergency ambulance service.

Exceptions

You are covered for services provided by non-PPO network pathologists, anesthesiologists, and radiologists, **if** the services are performed at an in-network facility. You are also covered for emergency services, including emergency ambulance service, and admission to the hospital for **urgent/emergency reasons only** (not for scheduled procedures) both in-network and out-of-network. Emergency service is the care given for the sudden onset of a medical condition with severe symptoms, such as heart attack, poisoning, severe breathing difficulties, convulsions, loss of consciousness, and other acute conditions that may be considered life threatening.

CareFirst reprices claims when you use a participating provider, but **CareFirst is not your insurance carrier**. Your coverage is provided through the Fund.

To Locate a CareFirst Provider

To locate a CareFirst provider, contact CareFirst at the number listed on your ID card.

- Call (800) 235-5160 if you have a green ID card.
- Call (800) 810-2583 (800-810-BLUE) if you have a white ID card.

Verify that the health care provider you selected participates with CareFirst when you make your appointment, as provider information is subject

to change. At your appointment, show your Fund ID card and tell the physician or facility that you participate with CareFirst. You or your provider should send medical claims in the local lease area of CareFirst that are not filed electronically directly to CareFirst at:

CareFirst/Network Leasing
PO Box 981633
El Paso, TX 79998-1633

CareFirst will reprice the claim and forward it to the Fund Office for processing.

A CareFirst provider should **not** require payment for covered services at the time of service unless the service provided is a non-covered benefit or if your deductible has not been met. If the provider attempts to collect payment for covered services at the time of your visit, remind the provider that payment will be made by the Fund after CareFirst reprices the claim. The amount of the reduced charge which the patient is responsible for paying will be shown on the Explanation of Benefits (EOB) which is sent to you and your provider after your claim has been processed.

Important: For laboratory services to be covered, you must use either LabCorp or Quest Diagnostic Laboratories (except for laboratory services performed when you are an Inpatient in the hospital). Lab services performed in your doctor's office or other locations will not be covered. To find the nearest LabCorp location, call (888) 522-2677 or log onto their website at www.labcorp.com/psc/index.html. To find the nearest Quest location, call (800) 377-7220 or go to their website at www.questdiagnostics.com/appointment.

Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

Summary Annual Report

For FELRA and UFCW Health and Welfare Fund

This is a summary of the annual report for the FELRA and UFCW Health and Welfare Fund, (Employer Identification No. 52-1036978, Plan No. 501) for the period January 1, 2014 to December 31, 2014. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

BASIC FINANCIAL STATEMENT

The value of plan assets, after subtracting liabilities of the plan, was \$69,626,409 as of December 31, 2014 compared to \$60,663,029 as of January 1, 2014. During the plan year the plan experienced an increase in its net assets of \$8,963,380. 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 \$169,871,243. This income included employer contributions of \$160,171,840, employee contributions of \$7,575,281, realized gains of \$120,893 from the sale of assets, earnings from investments of \$1,948,275 and other income of \$54,954. Plan expenses were \$160,907,863. These expenses included \$12,252,626 in administrative expenses and \$148,655,237 in benefits paid to participants and beneficiaries.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the 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 the plan assets; and
5. Insurance information including sales commissions paid by insurance carriers.
6. Information regarding any common or collective trust, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates

To obtain a copy of the full annual report, or any part thereof, write or call the office of:

Board of Trustees of the FELRA & UFCW
Health & Welfare Fund
Associated Administrators, LLC
911 Ridgebrook Road
Sparks, MD 21152-9451
52-1036978 (employer identification number)
410-683-6500

The charge to cover copying costs will be \$7.50 for the full report, or \$0.25 per page for any part thereof.

You also have the right to receive from the plan administrator, 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 administrator, 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 of the FELRA & UFCW Health & Welfare Fund
911 Ridgebrook Road
Sparks, MD 21152-9451

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: U.S. Department of Labor, Employee Benefits Security Administration, Public Disclosure Room, 200 Constitution Avenue, NW, Suite N-1513, Washington, D.C. 20210.

ADDITIONAL EXPLANATION

Dental claims- Group Dental Service, Inc. - premiums paid \$8,130,909.
Medical claims - Kaiser Foundation Health Plan premiums paid \$10,435,279.
Life insurance claims - Reliastar - premiums paid \$206,417
Vision claims - Advantica - premiums paid \$1,011,048
Accidental Death & Dismemberment - Reliastar - premiums paid \$10,358

Reconstructive Surgery Following Mastectomy

The following article applies to you if your medical benefits are provided through the Fund, not an HMO. If you have coverage through an HMO, you should receive a similar notice directly from the HMO.

The Women's Health and Cancer Rights Act ("WHCRA") provides protections for individuals who elect breast reconstruction after a mastectomy. Under federal law related to mastectomy benefits, the Plan is required to provide coverage for the following:

- All stages of reconstruction of the breast on which a mastectomy is performed;
- surgery and reconstruction of the other breast to produce a symmetrical appearance;
- prostheses; and
- treatment of physical complications of all stages of mastectomy, including lymphedema.

Such benefits are subject to the Plan's annual deductibles and co-insurance provisions. Federal law requires that all participants be notified of this coverage annually.



1ST CLASS PRSRT
U.S. POSTAGE
PAID
PERMIT NO. 1608
BALTIMORE, MD

Health and Welfare Fund
911 Ridgebrook Rd.
Sparks, MD 21152-9451

FELRA & UFCW