Open Enrollment March 15 – May 16. See page 5.

FOR YOUR BENEFIT

UFCW Unions & Participating Employers Health & Welfare Fund

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Material Modifications

Kroger Roanoke - *Collective Bargaining Changes*

New Benefit Program Designs (RNK1, RNK2, And RNK3) Eligibility And Coverage Changes

The following applies to participants employed by Kroger in the Roanoke area, based on the collective bargaining agreement between Kroger and UFCW Local 400 that was ratified in 2013.

Effective January 1, 2014, as a result of collective bargaining, the plan designs and the eligibility rules applicable to participants employed by Kroger in the Roanoke area have changed. The changes described below reflect that your eligibility for benefits in 2014 depends on the number of hours for which you were entitled to payment during the twelve-month period of October 6, 2012 to October 5, 2013.

Eligibility Changes – Bargaining Change

Effective January 1, 2014, there are three Programs under the UFCW Unions and Participating Employers Active Health and Welfare Plan that are applicable to participants employed by Kroger in the Roanoke area: Roanoke Plan 1 ("RNK1"), Roanoke Plan 2 ("RNK2") and Roanoke Plan 3 ("RNK3"). An open enrollment packet relating to Plans RNK 1, RNK 2 and/or RNK 3 was mailed to you in December, relating to coverage effective January 1, 2014.

Eligibility – For Those Hired ON OR BEFORE September 1, 2013:

- Those currently in Plan K2 who were entitled to payment for an average of 20 or more hours per week from October 6, 2012 – October 5, 2013, as reported to the Fund by Kroger, have the option of choosing plan RNK1, RNK2, or RNK3.
- Those currently in Plan K20 who were entitled to payment for an average of 20 or more hours per week from October 6, 2012 – October 5, 2013, as reported to the Fund by Kroger, may choose RNK2 or RNK3.

Who May Be Enrolled Under My Coverage?

- **Full Time:** If you are a "Full-Time" Participant, you are eligible for coverage for yourself, your spouse, and your dependent children. A Full Time Participant is a Participant that is entitled to payment for an average of **32** hours

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The purpose of this newsletter is to explain your benefits in easy, uncomplicated language. It is not as specific or detailed as the formal Plan documents. Those documents always govern.

Summary of Material Modifications This Issue!

- UFCW Unions & Participating Employers Active Health and Welfare Plan*
- UFCW Unions & Participating Employers Retiree Health and Welfare Plan*
- UFCW Unions & Participating Employers Pension Fund
- UFCW Unions & Contributing Employers Legal Benefits Fund

*Benefit Plans of the UFCW Unions and Participating Employers Health & Welfare Fund

This issue—

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per week, for those hired on or before October 31, 2005, or an average of **40** hours per week, for those hired after October 31, 2005.

- **Part Time 1:** If you are a "Part Time 1" Participant, you are eligible for coverage for yourself and your dependent children. A Part Time 1 Participant is a Participant that is entitled to payment for an average of **30 – 31.99** hours per week, for those hired on or before October 31, 2005, or an average of **30 – 39.99** hours per week, for those hired after October 31, 2005.

- **Part Time 2:** If you are a "Part Time 2" Participant, you are eligible for employee coverage only. A Part Time 2 Participant is a Participant that is entitled to payment for an average of **20 – 29.99** hours a week, for those hired on or before September 1, 2013, or an average of **25 – 29.99** hours per week, for those hired after September 1, 2013.

Your status as Full Time, Part Time 1 or Part Time 2, for the 2014 Plan Year is based on your hours, as reported to the Fund by Kroger, for the period of October 6, 2012 – October 5, 2013. This is called the "ongoing measurement period." Your group status will not change until at least January 1, 2015, except in cases of promotion (as explained below). Your hours for the next ongoing measurement period (October 6, 2013 – October 5, 2014) will be reviewed at the end of 2014 to determine your eligibility and coverage for the 2015 Plan Year.

Eligibility for Your Dependent Children:

If you are eligible for dependent child coverage, remember that your biological and adopted dependent children may be covered under the Plan up to age 26. Dependent stepchildren and children over whom you have legal custody may be covered through the end of the calendar year in which they turn 19, or through the end of the calendar year in which they turn 23 for full time students, if they reside with you.

Eligibility For Those Hired AFTER September 1, 2013:

Employees Who Work a Regularly Scheduled Number of Hours Each Week (e.g. 30 hours per week)

Eligibility for employees who are hired with the understanding that they will work, on average, a specific number of hours per week will be determined as follows:

Hrs/Wk	Enrollment	Coverage
25-29 hrs	1st of the month following 60th day after hire	RNK 3 — Self only
30-39 hrs	1st of the month following 60th day after hire	RNK 3 — Self; dependent children
40 or more hrs	1st of the month following 60th day after hire	RNK 3 — Self; Spouse; dependent children

For example, an employee hired on April 10, 2014 with the expectation that he will work, on average, 35 hours a week will become covered under Plan RNK 3 effective July 1, 2014 and may elect to enroll his dependent children under the Plan as well.

Employees Who Work a Different Number of Hours Each Week

Eligibility for employees who are hired without a specific understanding as to the average number of hours they will work per week will be determined as follows:

Hrs/Wk	Enrollment	Coverage
25-29 hrs	1st of the month following 12 months after hire	RNK 3 — Self only
30-39 hrs	1st of the month following 60th day after hire	RNK 3 — Self; dependent children
40 or more hrs	1st of the month following 60th day after hire	RNK 3 — Self; Spouse; dependent children

For example, an employee hired on April 10, 2014 who works 40 hours per week during the first 60 days of employment will become covered under Plan RNK 3 effective July 1, 2014 and may elect to enroll his Spouse and dependent children under the Plan as well.

As another example, an employee hired on April 10, 2014 who works less than 30 hours per week during the first 60 days of employment but works, on average, 25 hours per week during the 12 months after hire will become covered under Plan RNK 3 effective May 1, 2015.

After 5 years of coverage under Plan RNK 3, Full-Time participants will be eligible to move to Plan RNK 2 during open enrollment.

Special Note for Promotions:

If an employee is promoted to a position that would result in a Part Time 1 or Full Time level of eligibility, the employee would be eligible for that enhanced level of eligibility no later than the first of the month following 60 days after the promotion effective date.

Special Rule for Courtesy Clerks, Fuel Center Clerks, and High School Students:

Generally, Kroger employees in the Roanoke area who are working as courtesy clerks or fuel center clerks, or who are high school students, are not eligible for coverage under the Fund. However, if an employee in any of these categories was entitled to payment for an average of 30 hours per week for the 12-month period from October 6, 2012 – October 5, 2013, he/she is eligible for Plan RNK3 coverage in 2014 and may elect coverage for his/her dependent children.

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Summary Of Coverages For RNK1, RNK2, and RNK3 - Kroger - Roanoke Employees

Plan Name	Plan RNK1		Plan RNK2		Plan RNK3	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Preventive Coverage	100%	100%	100%	100%	100%	100%
Predominant Co-Insurance	80%	50%	70%	50%	70%	50%
Annual Deductible to a max of $1,000 or $2,000 if you have dependent coverage	$500	$1,000	$750	$1,500	$1,000	$2,000
Annual Out-of-Pocket Maximum	$3,500	$7,000	$5,000	$10,000	$6,000	$12,000
Annual Maximum Benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Lifetime Maximum Benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Co-Insurance Pays UCR	Yes	Yes	Yes	Yes	Yes	Yes
Primary Care Office Visit Copay*	$30	Deductible then Co-Insurance	$30	Deductible then Co-Insurance	$30	Deductible then Co-Insurance
Specialist Office Visit Copay*	$40	Deductible then Co-Insurance	$40	Deductible then Co-Insurance	$40	Deductible then Co-Insurance
Convenience Retail Clinic	$15	$15	$15	$15	$15	$15
Urgent Care Copay	$75	Deductible then Co-Insurance	$75	Deductible then Co-Insurance	$75	Deductible then Co-Insurance
Emergency Room Copay	Deductible then 80% emergency or 50% non emergency.		Deductible then 80% emergency or 50% non emergency.		Deductible then 80% emergency or 50% non emergency.	

**Copays apply to professional services only. Other services are covered as deductible/coinsurance.*

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New Claims Address for Value Options

Value Options has a new address for behavioral health claims. Claims that were processed in Latham, New York should now be sent to:

Value Options Claims Department
PO Box 930321
Wixom, MI 48393-0321

Please share this information with your provider the next time you have an appointment.

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Bargaining Change: A&S/Weekly Disability Calculations; Life Benefits

As a result of collective bargaining, effective for claims on and after January 1, 2014, your Accident and Sickness benefits and Life benefits have changed.

To determine whether you are Full Time or Part Time for the purpose of calculating your Accident and Sickness benefits and/or your Life benefits, the Fund office will use the criteria below, based on your hours worked as reported by Kroger.

Full-Time ("FT")
- Hired on or before October 31, 2005 – entitled to payment for an average of 32+ hours per week*
- Hired after October 31, 2005 – entitled to payment for an average of 40+ hours per week*

Part-Time Category 1 ("PT-1")
- Hired on or before October 31, 2005 – entitled to payment for an average of 30 – 31.99 hours per week*
- Hired after October 31, 2005 – entitled to payment for an average of 30 – 39.99 hours per week*

Part-Time Category 2 ("PT-2")
- Hired on or before September 1, 2013 – entitled to payment for an average of 20 – 29.99 hours per week*
- Hired after September 1, 2013 – entitled to payment for an average of 25 – 29.99 hours per week

For Accident & Sickness benefits, the percentage of salary paid and the number of weeks of payment has not changed and are based on the above Full Time/Part Time criteria. Participants formerly covered under Plan K2 who now are covered under Plan RNK1 will continue to have the same Accident & Sickness payment percentage they had under Plan K2. Participants formerly covered under Plan K20 who are now covered under Plan RNK2 will continue to have the same Accident & Sickness payment percentage they had under Plan K20. Participants covered under RNK3 also will have the same Accident & Sickness payment percentage as was previously provided under Plan K20.

To determine your eligibility for, and the amount of, your Accident & Sickness benefits and Life benefits, the Fund office will use your average hours worked, as reported by Kroger, for the period of October 6, 2012 – October 5, 2013, to determine your Full-Time or Part-Time status.

The amount of your Life Insurance benefit changed effective January 1, 2014. See below for the new amounts.

Life & AD&D Benefits	RNK1	RNK2	RNK3
Full-Time Participant	$25,000	$7,500	$7,500
Part Time participants (PT-1 and PT-2)	$10,000	$5,000	$5,000

**For 2014, the measurement period is October 6, 2012 – October 5, 2013, with hours as reported by Kroger. For 2015, the measurement period is October 6, 2013 – October 5, 2014, with hours as reported by Kroger.*

Clarification of Spousal Coverage And COB Rules

The following article applies to participants employed by Kroger in the Roanoke area.

Recently, you received Open Enrollment materials outlining changes in your spouse's eligibility for health and welfare benefits and changes in the Coordination of Benefits ("COB") rules under your Plan.

Spousal Coverage

Employees that qualify as Full-Timers (see above for information on how Full-Timer is defined) are ***eligible*** to add dependent coverage for their spouse. However, effective January 1, 2014, spouses who are eligible for coverage through their employers must enroll for that coverage in order to be eligible for secondary coverage under this Fund."

Coordination of Benefits

Effective January 1, 2014, the Plan's Coordination of Benefit provisions have changed as follows. If a participant or dependent is covered under another health plan as primary and has secondary coverage under the Fund, the Fund will not supplement the primary coverage if that would result in an overall payment that is more than the Fund ***would have paid*** as primary.

Example: Suppose your spouse has a medical claim of $500 and your spouse's primary carrier paid 80% of the claim ($400). You are in Plan RNK1, so if the Fund had paid this medical claim as primary, the payment would have been 80% of approved charges, meaning the Fund would have paid a maximum of $400. Effective January 1, 2014, the Fund would not make any payment on this claim as secondary because the primary coverage already has paid the maximum amount the Fund would have paid as primary.

Retirees Information Forms Being Mailed. *You Must Complete And Return.*

The following article applies to you if your pension is through UFCW Unions & Participating Employers Pension Fund. It does not apply to participants whose pensions are through the Retail Clerks Union and Employers Pension Plan, usually referred to as the "Atlanta Pension Fund."

Within the next few months, the Fund office will send all retirees a Retiree Information Form (RIF) to be completed and returned to the Fund office. The form is required by the Board of Trustees and asks questions about your current address, your beneficiary, whether you and/or your spouse have other health coverage, and whether you are employed.

Even if you completed this form last year, you still must complete and return this year's RIF. It is very important that the retiree completes all sections of this form and promptly sends it back to the Fund office. **If we don't receive your RIF, your benefits may be suspended until it is received.** To assist you, the Fund office will include a postage-paid, return envelope with the first mailing.

Helpful Reminders

- Let us know if you have a new telephone number. ***This is very important.***
- Do not attach checks or claims to the RIF.
- Report any earnings from all employers.
- Let us know if you or your spouse has other health coverage.
- Be sure to sign the RIF.

NOTE: If you are changing your beneficiary or tax deduction, please call the Fund office. We will send you the necessary form to be completed and returned to the Fund office. No changes will be made until the proper form is completed.

No one but the retiree can sign the RIF, unless an individual holds a Power of Attorney for the retiree. A copy of the Power of Attorney must be on file with the Fund office. If, for health reasons, the retiree is unable to sign the form and there is no Power of Attorney on file, then the retiree must sign an "X" on the RIF and this must be notarized by a Notary Public.

Open Enrollment Is March 15 – May 16 For Choosing Your Medical Coverage

*The following article applies to actively-working participants in **Plans JS, JSS2, Y, Y20 and Z only.***

Open enrollment for medical coverage for the coming year is from March 15 through May 16, for coverage effective June 1, 2014. During this time, you can choose traditional Fund medical coverage or medical coverage through Kaiser Permanente HMO. This open enrollment period is for medical coverage only. It does not affect your optical, dental, or prescription drug coverage.

You will automatically remain in the coverage you have now unless you actively make a change. If you want to stay with your current coverage, whether it is traditional Fund coverage or Kaiser Permanente, don't do anything!

How Open Enrollment Works

If you live within the Kaiser service area, the Fund office will send you a letter describing your medical coverage options, along with a packet from Kaiser Permanente which includes a Kaiser Summary of Benefits, HMO Health Plan Guide, and enrollment application. If you do not live within the Kaiser service area, you will not receive this information and you automatically will be enrolled in "traditional" Fund medical coverage.

Cost

It is important that you read your open enrollment letter carefully so you'll know if there is a monthly co-payment required for your Plan or, if you already have a co-payment, whether it will be changing.

I Want To Enroll In Kaiser. What Do I Do?

If you decide to enroll in the Kaiser Permanente HMO, complete the enrollment application and ***return it to the Fund office – not to Kaiser!*** This is very important because we cannot set up your coverage properly if you don't return the application to us first.

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Summary of Material Modifications

Below are Material Modifications (changes) made to your Plans over the past year. Please read and clip them where indicated so you can keep them with your Summary Plan Description ("SPD") booklets and your other benefits information.

UFCW Unions & Participating Employers Health and Welfare Fund

(The following SMMs apply to the Active Health & Welfare Plan).

- **See pages 1 – 4** of this newsletter for the changes implemented as a result of bargaining between UFCW and Kroger Roanoke, effective January 1, 2014.

- **Change in Life Insurance Payment Process.** The following language is added to the end of the Life Benefit section of your Summary Plan Description booklet to clarify the default payment methods applicable to the life insurance benefits available under the Active Plan.

Default Payment Form for Life Insurance Benefit

1. Beneficiaries who are residents of Maryland, Virginia or the District of Columbia and are eligible to receive a life benefit of less than $5,000 will receive their payment in one lump sum, unless the Beneficiary elects another form of payment from the options available.

2. Beneficiaries who are residents of Maryland, Virginia and the District of Columbia, and are eligible to receive a life benefit of $5,000 or greater will have their payment deposited into a Personal Transition Account in the Beneficiary's name, established and maintained by ING/ReliaStar, unless the Beneficiary elects another form of payment from the options available. The proceeds in the Account will earn interest at a guaranteed minimum rate, and the Beneficiary may write drafts against the Account of at least $250 at a time, up to the full amount of the Account. The Beneficiary may close the Account at any time by requesting payment of the full balance of the Account. ING/ReliaStar will maintain the Account and will periodically request that the Beneficiary confirm his/her intent to continue the Account. If the Beneficiary does not affirmatively confirm his/her intent to keep the Account active, and if there is no financial activity with the Account (excluding credited interest) or other customer initiated activity for a period of 18 months, ING/ReliaStar will close the Account. Upon closing the Account, ING/ReliaStar will pay out the remaining proceeds to the Beneficiary. If ING/ReliaStar cannot locate the Beneficiary, it will pay any remaining funds to the state government in the state in which the Account was established.

The default payment options for Beneficiaries residing in other states may be different. For more information on those benefit options, please contact ING at 888-238-4840.

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Three-Year Statute of Limitations To File Suit Against Fund

The following applies to the UFCW Unions & Participating Employers Active Health and Welfare Plan, UFCW Unions & Participating Employers Retiree Health and Welfare Plan, UFCW Unions & Participating Employers Pension Fund, and the UFCW Unions & Contributing Employers Legal Benefits Fund.

Effective July 2, 2013, the following is added at the end of the Claims and Appeals section of your SPD:
If your claim is denied, in whole or in part, you are not required to appeal the decision. However, before you can file suit under Section 502(a) of the Employee Retirement Income Security Act ("ERISA") on your claim for benefits, you must exhaust your administrative remedies by appealing the denial to the Board of Trustees. Failure to exhaust these administrative remedies will result in the loss of your right to file suit. If you wish to file suit for a denial of a claim for benefits, you must do so within three years of the date the Trustees denied your appeal. For all other actions, you must file suit within three years of the date on which the violation of Plan terms is alleged to have occurred. Additionally, if you wish to file suit against the Plan or the Trustees, you must file suit in the United States District Court for the District of Maryland. These rules apply to you, your spouse, dependent, alternate payee or beneficiary, and any provider who provided services to you or your spouse, dependent or beneficiary. The above paragraph applies to all litigation against the Fund, including litigation in which the Fund is named as a third party defendant.

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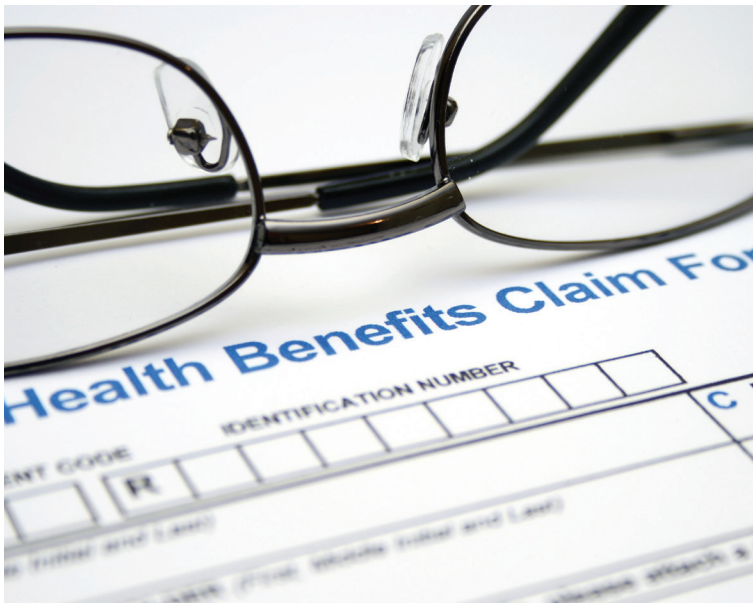
UFCW Unions & Participating Employers Health and Welfare Fund

(The following SMMs apply to both the Active Health & Welfare Plan and Retiree Health & Welfare Plan).

- **Effective July 2, 2013,** there is a three-year statute of limitations to file suit again the Fund. See page 6 for the complete SMM.

- **Participants Employed by, or Retired from, Shoppers: Extended Time To File Medical Claims (Plans Y, Y20 and JSS2)**

  This change applies to participants actively employed by, or retired from, Shoppers Food Warehouse, and their eligible dependents, with traditional Fund medical coverage.



  As a result of collective bargaining, the Board of Trustees is pleased to announce that effective for dates of service on and after July 1, 2012, participants with Fund medical coverage have one year from the date of service to file a claim. Any medical claim incurred on or after July 1, 2012 will be subject to this timeframe.

- **Participants Employed by, or Retired from, Shoppers: Gardisil Vaccine Is Now Covered (Plans Y, Y20, and JSS2)**

  This change applies to participants actively employed by, or retired from, Shoppers Food Warehouse, and their eligible dependent daughters who have traditional Fund medical coverage.

Effective March 1, 2013, the Board of Trustees is pleased to announce that Gardisil, the HPV vaccine for girls, is now covered for dependent daughters of participants employed by, or retired from, Shoppers Food Warehouse.

Receiving the Injection at a Shoppers Pharmacy

- **Virginia Participants**
  Your dependent daughter may choose to receive the Gardisil injection at a Shoppers pharmacy at no cost to you when you use your Informed Rx/Catamaran ID pharmacy card.

- **Maryland and DC Participants**
  For Maryland and DC participants, state law does not permit this injection to be administered at a store pharmacy; therefore, it will be covered when administered at the doctor's office.

Receiving the Injection at the Physician's Office

Participants may pick up the injection from the pharmacy at no charge. Maryland and DC participants would then return to the doctor's office with the injection for administration, while Virginia participants may choose to have the injection administered either at the pharmacy or the physician's office. Or you may both obtain the vaccine, and have it administered, at the physician's office.

Cost

The injection itself is covered at 100%, up to the usual, customary and reasonable (UCR) rate. The office visit charge (if there is one) is covered under your medical benefit at 80% for Plans JSS2 and Y and at 75% for Y20, after satisfying your deductible.

UFCW Unions & Participating Employers Pension Fund

- **Effective July 2, 2013,** there is a three-year statute of limitations to file suit against the Fund. See page 6 for the complete SMM.

UFCW Unions & Contributing Employers Legal Benefits Fund

- **Effective July 2, 2013,** there is a three-year statute of limitations to file suit against the Fund. See page 6 for the complete SMM.

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What's the difference between "traditional" Fund medical coverage and Kaiser Permanente HMO medical coverage?

Under an HMO, you must use a participating provider or facility in order to be covered. There are usually "per visit" co-payments, which you pay to the provider at the time of service. These vary depending on the service.

Under Fund traditional coverage, you may use any doctor or hospital you wish, although you receive the best discounts if you use a CareFirst PPO provider. ***Y20 participants must use a CareFirst provider in order to receive coverage.*** Some services may be covered in full, such as inpatient hospital room and board (up to the semi-private room rate, after which the remaining cost is paid under your Major Medical benefit). Most covered medical services are paid at 80% (75% for Plan Y20) up to the usual, customary, and reasonable ("UCR") amount, after satisfying your annual deductible. Other services may be covered at different percentages – see your Plan booklet for details.

Your Open Enrollment letter will show the monthly cost, if any, for all of the Fund's traditional coverage benefit Plans. However, only one of those Plans applies to you. If you're not sure which Plan you're in, contact the Fund office. Remember, you do not choose your Plan.

Important: If you enroll in Kaiser and don't make the monthly co-pay, if any, your medical coverage will be terminated and you will not be eligible to re-enroll until the next open enrollment period.

What if I want to switch to Fund medical coverage?

If you are in Kaiser and want to switch to "traditional" Fund medical coverage, call Participant Services at (800) 638-2972 during Open Enrollment and tell the representative. ***You must make this call by May 16th in order to make the change.***

What if I don't get an open enrollment letter?

The Fund office sends open enrollment letters to all eligible participants who live within the zip code areas that Kaiser Permanente services. Therefore, if you don't receive a letter, it is likely you don't live within the Kaiser Permanente service area and cannot enroll in the HMO. If you did not receive a letter but you think you should have, contact the Fund office at (800) 638-2972 and we will check on whether Kaiser covers your area.

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