

**MONTEBELLO TEACHERS  
ASSOCIATION  
SUPPLEMENTAL HEALTH  
PLAN**

**SUMMARY PLAN DESCRIPTION  
AND PLAN DOCUMENT**

**JANUARY 2023**

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## **PLAN PURPOSE**

The Montebello Teachers Association Retiree Supplemental Health Plan (the “Plan”) is designed to provide health care for eligible retired District employees who are members of the MTA. The intent of the Plan is to continue retiree medical coverage beyond the age at which the District stops paying for coverage (age 67). The Plan is a “supplemental” health plan in that as a retiree you may be required to pay some of the cost for your health care coverage.

The Board of Trustees of this Plan reserve the right to reduce the amount of benefits paid under the Plan at any time if doing so is necessary to prolong the financial sustainability of this Plan, and is in the best interest of all participants and beneficiaries in the Plan. This Plan does not provide any guarantee of benefits and no participant is vested in benefits paid under this Plan.

### **What Does the Plan Mean to Me?**

As an active MTA member, your monthly contribution for retiree coverage will help to ensure that you will receive health coverage throughout your retirement. As long as you retire from the Montebello Unified School District (MUSD), meet all eligibility requirements and continue to pay the retired MTA dues, you will be covered under this plan.

For an MTA member who elects to either retire early or retire on a regular retirement option, health coverage will be provided either partially or fully by the District until age 67 at which time the Plan will become an important source for benefits and will help in paying the cost for retiree coverage.

### **Contribution Requirement – Before Age 67**

During your working career, you are required to contribute ten months per year for retiree supplemental coverage through payroll deductions. This contribution is subject to change by action of the Board of Trustees. If you retire prior to age 67, you will be required to continue retiree contributions through deduction from an account established at a qualified financial institution of your choice until the month of your 67<sup>th</sup> birthday.

### **Self-Payment Requirement – Age 67 and Later**

Once you reach age 67 and have a history of continuous retiree contributions, you will be eligible for retiree medical reimbursement benefits from the Plan. If the amount of the monthly reimbursement you receive from this Plan does not cover the full cost of the medical plan premiums deducted from your pension benefit payment, you must pay the remaining premium to CalPERS. The payment(s) you make to CalPERS is your self-payment (“Self-Payment”), the amount of which will depend upon the cost of the medical plan you select from the options available for retirees through CalPERS.

This Plan does not pay your premium for medical coverage, which is otherwise deducted monthly from your pension benefit payment. Instead, this Plan reimburses you monthly, from Health Plan reserves, for the premiums you pay to CalPERS through a deposit to your account at a qualified financial institution of your choice. The monthly reimbursement maximum is established and re-evaluated by the Board no less than annually and is subject to an annual increase or decrease as determined at the sole discretion of the Board. If the medical coverage you have enrolled in

exceeds the maximum, the balance is considered your Self-Payment.

Whether you are working for the MUSD currently or you are retired, the MTA Retiree Supplemental Health Plan allows you to keep health coverage beginning at age 67.

## DEFINITIONS

**The terms used in this Summary Plan Description and Plan Document are to be interpreted as they defined in the Agreement and Declaration of Trust Providing for the Montebello Teachers Association Retiree Supplemental Health Plan (“Trust Agreement”). If not defined therein, the terms have the following meanings:**

**Administrative Office.** The term “Administrative Office” means the office of the third party administrator (Coast Benefits) contracting with the Plan to provide the day to day Plan administration.

**Beneficiary.** The term “Beneficiary” refers to any individual designated by a Participant to receive the Participant’s death benefit.

**Board of Trustees.** The term “Board of Trustees” means the persons designated in the Trust Agreement together with their successors designated and appointed in accordance with the terms of the Trust Agreement.

**CalPERS.** The term “CalPERS” means California Public Employees Retirement System.

**Covered Retiree.** The term “Covered Retiree” means an employee who has satisfied the rules for eligibility under this Plan.

**Covered Retirement.** The term “Covered Retirement” means the time at which an employee meets the rules for retirement from the MUSD that would qualify the employee for current or later benefits under this Plan.

**Contributory Service.** A Participant is eligible to receive benefits under this Plan upon retiring from the District, provided the Participant has:

- (1) worked for the District for fifteen (15) years or more, provided the five (5) years of employment with the District, immediately preceding retirement, are consecutive (subject to any eligible Break In Service discussed below), and;
- (2) Has paid all contributions owed to the Plan, and paid union dues owed to MTA, during all periods of active service with the District.

**Dependent.** The term “Dependent” means the Covered Retiree’s legal spouse or domestic partner with whom you are registered in the state of California that has been enrolled in the plan for benefits.

**District or MUSD.** The term “District”, as defined at Section 2.07 of the Trust Agreement, means the Montebello Unified School District.

**Early Retirement Option.** The term “Early Retirement Option” means the option available to an employee who has completed 15 years of service with the MUSD who may choose to work 20 days per year while retired from the MUSD. This arrangement is permitted for 5 consecutive years prior to age 60.

**Eligible Retiree.** The term “Eligible Retiree”, as defined at Section 2.06 of the Trust Agreement, means an employee who has a minimum of 15 years of Contributory Service with the District prior to retirement and who has retired from the District under the State Teachers Retirement System (STRS) and made contributions as required by the Trustees, but is not qualified for or receiving health insurance benefits from the Districts.

**Employer Minimum Contribution.** Participants who retired prior to November 1, 2009, are subject to the Employer Minimum Contribution. The District is direct billed a flat dollar amount toward each retiree’s health care premiums at an amount that is re-evaluated annually). Consequently, CalPERS reduces the Retiree’s deduction for health insurance premium by the amount direct billed to the District. The Trust Fund reimburses the retiree through his or her eligible account for the difference between the amount available for the retiree’s benefits and the amount reimbursed to the District. An example of this calculation can be found in Appendix A.

**ERISA.** The term “ERISA” means The Employee Retirement Income Security Act of 1974. This law gives Plan Participants certain rights as discussed in the ERISA section.

**Medicare.** The term “Medicare” means the hospital and medical insurance program administered by the Federal government through the Social Security Administration. Medicare has 4 parts: Part A is the in-patient hospital program; Part B is the doctors and medical service program; Part C covers the prepaid Medical Advantage plans; and, Part D is the prescription drug program.

**MTA or Association.** The term “MTA” or “Association” means the Montebello Teachers Association.

**Participant.** The term “Participant” means employees who are eligible to be covered by this Plan as explained in the Eligibility section.

**Plan.** The term “Plan” means the Montebello Teachers Association Retiree Supplemental Health Plan, and as otherwise defined at Section 2.03 of the Trust Agreement.

**Retirement.** The term “Retirement” means to complete fifteen (15) years, or more, of Contributory Service with the District, and has retired under the rules and regulations of the District and STRS.

**STRS.** The term “STRS” means the California State Teachers Retirement System.

**Temporary Employee.** The term “Temporary Employee” generally refers to any certificated employee who has been hired by the District into a position that is not considered a vacant position (e.g., to replace regular employees on leaves of absence or to fill in for regular employees who have been given categorically-funded positions) and where, absent particular circumstances, the employee’s annual service will not count toward acquiring permanency.

**Probationary Employee.** The term “Probationary Employee” generally refers to any certificated employee hired by the District into a vacancy where the employee’s service may

count toward permanency (usually two to three full years).

**Permanent Employee.** The term “Permanent Employee” generally refers to any certificated employee who has completed two full years of probationary service in a vacant position within the District; thereby, acquiring permanency.

## **ELIGIBILITY**

### **Eligibility to Participate in this Plan and Earn Contributory Service**

To receive benefits from this Plan, a Participant must earn fifteen (15) years of Contributory Service during which time the Participant:

- (1) has worked as a full-time employee of the District;
- (2) pays member dues as defined by MTA; and
- (3) is employed in a position covered under the MTA/MUSD collective bargaining agreement.
- (4) Has been a member in good standing with MTA, and has been employed for five consecutive years with the District, immediately preceding retirement.

You are eligible to continue participation in the Plan only while you meet these conditions. Each year that you meet these conditions, you will receive one year of Contributory Service credit.

After retirement from MUSD, participants who maintain MTA retiree membership remain eligible to receive benefits.

Participants who were hired on or before July 1, 2018, and who permanently separate from employment with the District prior to retiring from the District, and permanently cease to pay dues to MTA, will cease to be a Participant in the Plan. Should this occur, the member may request a one-time payment of up to \$1,500 payable only from, and solely at the discretion of, the MTA. Any amount paid by MTA is separate from, and not considered a benefit offered under this Plan.

### **Eligibility for Healthcare Premium Reimbursement Benefits**

Healthcare premium reimbursement benefits are only provided for Covered Retirees age 67 and older. Covered Retirees are Participants who satisfy all of the conditions below. You must:

- (1) have qualified for STRS retirement benefits or have maintained special management eligibility and have qualified for MUSD retirement health benefits as outlined under the collective bargaining agreement;
- (2) have been covered continuously under the MUSD retiree health plan until the age at which the MUSD retirement health coverage terminates (age 67): or
  - (a) Have been a Plan Participant from the beginning of your full-time employment with MUSD (or from September 1986, if earlier) until the time you retire from the District or pay retroactively for the time period missed; or

- (b) If not a full dues paying member, you must have converted from non-member status to full membership status and paid retroactively for the non-membership period.
- (3) have retired under STRS and have not returned to MUSD paid employment with health benefits;
- (4) have purchased Part B of Medicare (if eligible) and enrolled in Part A (or petition a waiver for Part A from the Administrative Office);
- (5) maintain an account in any qualified financial institution (all fees charged by the qualified financial institution must be paid by the Participant and are not included in the reimbursement benefits offered by this Trust);
- (6) have paid the active rate until age 67 and
- (7) pay annual MTA retiree dues (to be paid over 10 monthly installments per year).

### **Example #1 – Early Retirement**

Michelle is a member who has reached age 55 and based on her service with the MUSD; Michelle is eligible for early retirement. During her time with the MUSD, Michelle has been a member of the MTA.

While on the Early Retirement Option, Michelle is able to continue her health care coverage which is deducted from her STRS distribution and reimbursed by MUSD to her designated account. Michelle will receive no more than the MUSD rate for active employees.

From age 60 to age 67 the MUSD pays a fixed monthly amount towards Michelle's health coverage. If Michelle's coverage costs more than the allotment, Michelle must pay the difference.

At age 67, the MUSD does not contribute at all towards the cost of Michelle's coverage. At this time, the Montebello Teachers Association Retiree Supplemental Health Plan becomes Michelle's health care funding source. The Plan reimburses up to the monthly amount the Board of Trustees has set at that time towards the cost of coverage.

### **Example #2 – Regular Retirement**

Instead of retiring at age 55, Michelle remains with the MUSD until age 60 at which time she retires. As in the prior example, Michelle has been a MTA member continuously.

From age 60 to age 67 the MUSD pays a fixed monthly amount towards Michelle's health coverage. If Michelle's coverage costs more than the allotment, Michelle must pay the difference.

At age 67, the MUSD does not contribute at all towards the cost of Michelle's coverage. At this time, the Montebello Teachers Association Retiree Supplemental Health Plan becomes Michelle's health care funding source. The Plan reimburses up to the monthly amount the Board of Trustees has set at that time towards the cost of coverage.

### **Example #3 – Retirement On or After Age 67**

John works for the MUSD until age 67 and retires. During the time he worked, John was continuously an MTA member. At age 67, John does not receive any coverage paid for by the District. The Retiree Supplemental Health Plan reimburses up to the monthly amount established

by the Board of Trustees towards the cost of coverage. If the coverage costs more than the amount paid by the Plan, the difference is deducted from John's designated account.

If a Covered Retiree chooses to cover a Dependent, the dependent must be covered under the same health plan as the covered Retiree.

A Participant who neither qualified for nor elects to participate in MUSD retiree health coverage will not be eligible for any benefits under this Plan.

#### **Example #4 – ROP Teacher**

Bill works for the MUSD as a full-time teacher and is a contributing Participant. He retires at age 60.

From age 60 to age 67 the MUSD pays a fixed monthly amount towards Bill's health coverage. If Bill's coverage costs more than the allotment, Bill must pay the difference.

At age 67, the MUSD does not contribute at all towards the cost of Bill's coverage. At this time, the Montebello Teachers Association Retiree Supplemental Health Plan becomes Bill's health care funding source. The Plan reimburses up to the monthly amount the Board of Trustees has set at that time towards the cost of coverage.

#### **Probationary and Temporary Employees**

- (1) Probationary Employees may opt out of being a Participant during their first two years of service in the District so long as they remain members in good standing of the Association. In the case of Probationary employees who chose to become Participants after the initial 2-year opt out period, they may make back payments to the Plan at an amount determined by the Plan, at the beginning of their third year for the total amount of the unpaid/missed contributions plus interest at the rate of 7% per annum, paid as a lump sum or in 10 installment payments per year for 2 years.
- (2) Temporary employees who later become permanent employees, have the option to join the Montebello Teachers Association and become a Participant of the Plan by initially choosing one of three options: (a) the employee may participate in the Plan from the time they first become a permanent certificated employee of the District; (b) the employee may participate in the Plan from the time they were reclassified by the District as a probationary certificated employee and make back payments to the Plan for the total amount of the unpaid/missed contributions plus interest at the rate of 7% per annum, paid as a lump sum or paid in 10 installment payments per year for 2 years; or (c) the employee may participate in the Plan from the first month they were employed in the District as a temporary employee and make back payments to the Plan for the total amount of the unpaid/missed contributions plus interest at the rate of 7% per annum, paid as a lump sum or paid in 10 installment payments per year for 6 years, if time permits before retirement.
- (3) Temporary employees who are not on the path to permanency (including those employees known as "level 0" probationary employees) may opt to participate in the Plan by one of three options: (a) the employee may begin participation in the Plan at the beginning of their employment as a temporary employee in the District; (b) the employee may begin participation in the Plan following the first two years of employment as a temporary



employee in the District. If the employee elects to participate at the beginning of his/her third year, the employee is not obligated to make back payments for the first two years; but, under this option, if back payments are not made for the first two years of employment, such service will not be credited; (c) the employee may elect to participate in the Plan at any time and make back payments to the Plan from the time they first served as a temporary certificated employee with the District for the total amount of the unpaid/missed contributions plus interest at the rate of 7% per annum, paid as a lump sum or in 10 installment payments per year for 6 years, if time permits before retirement. Alternatively, the employee may pay the total amount of the unpaid/missed contributions, plus interest at the rate of 7% per annum, beginning with the third year of employment, paid as a lump sum or in 10 installment payments per year for 6 years, if time permits before retirement.

- (4) In addition to the conditions above, Probationary and Temporary employees who chose to participate in the Plan on the basis of either paragraphs 1, 2 or 3, above, must elect to become members of the Plan at least five years prior to retirement, and must pay regular dues and contributions to the Montebello Teachers Association for at least five years prior to retirement. In all cases, the unpaid/missed contributions are the number of months from the time the Temporary or Probationary employee could have been eligible to participate in the Plan to the date he/she becomes a Member.

### **Non-Members**

Non-Members are eligible to join the Montebello Teachers Association and qualify for retiree benefits under the Plan, if the following conditions are met:

- (1) They elect to become a dues-paying member of the Montebello Teachers Association continuously without interruption since first becoming a member, and for no less than five years, prior to retirement.
- (2) They pay the required monthly dues and contributions to the Montebello Teachers Association for at least five years prior to retirement.
- (3) They make back payments to the Plan for the total amount of unpaid/missed contributions plus a per annum interest rate determined by the Board of Trustees, at the time of the back payment request is received, which should be no less than 7% interest per annum. All back payments must be paid as follows:
  - (a) in 10 installment payments per year for 6 years, if time permits before retirement date; otherwise
  - (b) a lump sum payment prior to the retirement date. The unpaid/missed contribution is the number of months from the time the Non-Member could have been eligible to participate in the Plan to the date he/she becomes a member.

## **LOSS OF ELIGIBILITY**

Participants in the Montebello Teachers Association Retiree Supplemental Health Plan will lose eligibility under the Plan if they:

- (1) You leave employment with the District permanently, prior to retiring from the District, or
- (2) Discontinue membership with the MTA while employed by the District, or during retirement,
- (3) Do not pay all contributions due to the Plan through age 67

### **Break in Service**

A Participant's continuous service with the District (for purposes of applying the eligibility rules) will be considered continuous, for purposes of determining eligibility to receive benefits under the Plan, if there is no break in employment with the District in the fifteen (15) or more years preceding retirement, except under the following conditions::

- (1) **District-Approved Leaves of Absence:** The Participant is granted any District-approved leave of absence. There is no requirement to pay contributions to the Plan during the period of any unpaid, or sabbatical District-approved leave.
- (2) **District Layoff and Re-hire:** Participants who are laid off by the District, and who are eligible to be re-hired by the District, shall be considered to be on a District-approved leave of absence throughout the period of re-hire eligibility. There is no requirement to pay contributions to the Plan during the re-hire eligibility period.
- (3) **Bargaining Unit Member on Part-Time Leave of Absence:** The member is granted a District-approved leave as a Tandem Teacher, or is granted another MTA-represented part-time position within the District (with part-time service defined as no less than fifty percent (50%) of full-time) provided the individual pays regular contributions owed to the Plan in the amount due from full-time teachers during the entire period of the District-approved leave.
- (4) **Employment in District Administration:** A bargaining unit employee who leaves the bargaining unit to take a position in District administration, shall remain eligible to receive benefits upon Retirement if, during the entire period of service within District administration, the Participant has: (A) continuously paid dues to MTA at a level established by the MTA, and (B) continuously paid contributions to the Plan through the date of Retirement from the District.
- (5) **Agency Fee Payers (prior to December 1, 2018):** Bargaining unit members who were formally designated as agency fee payers and who opted to become full members of the MTA as of December 1, 2018, shall only be required to make contributions to the Plan from that date forward. Service with the District prior to becoming a full member of MTA will not receive Contributory Service for the period of time they were classified as agency fee payers.
- (6) **Former Los Angeles County Employees:** A Participant may receive Contributory Service credit for periods of prior employment with the County of Los Angeles, but only when such former service was impacted by Section 44903.7 of the California Education Code, and only upon making a written request to the Plan to have prior service with the County applied toward eligibility under this Plan within the first six months of initial employment with the District. The decision to award credit for such prior service is subject to the sole discretion of the Board of Trustees.

For each of the above exceptions, Contributory Service will be granted only after the Participant pays contributions owed to the Plan (if applicable) during the period of any break in service described above, and provided such payment is paid within the first six months upon returning to a full-time position represented by the MTA.

### **Death Benefit**

There are two instances where benefits can be paid to the beneficiary of the deceased Covered Retiree.

- (1) If a Participant who satisfied the rules for eligibility as a Covered Retiree dies before receiving benefits, a death benefit equal to contributions made by the Participant will be paid to the Participant's Surviving Spouse or Surviving Domestic Partner. In the absence thereof, the benefit will be paid in accordance with the intestate succession rules set forth at Section 6402(a)-(c) of the California Probate Code. This generally means the benefit will be paid to any surviving child(ren) in equal shares or, if there are no child(ren), then to the Participant's surviving parents in equal shares or, if none, then to the Participant's surviving siblings in equal shares. The proper recipient(s) of the benefit will be determined at the sole discretion of the Board of Trustees, or in the absence of an identifiable beneficiary, it shall revert back to the Plan and shall be used to offset administrative expenses of the Plan.
- (2) If a Covered Retiree begins receiving benefits and dies after receiving benefits for less than 48 months, the designated beneficiary will receive a lump sum benefit equal to twelve times the allowable monthly reimbursement rate. After 48 months, there are no death benefits.

### **Health Benefits and Options**

The District, under the terms of the collective bargaining agreement, provides health care coverage for eligible retirees under age 67. Beginning at age 67, the District makes medical coverage available for purchase by the retiree through the Plan.

The Plan has an agreement with CalPERS that allows retirees to select coverage through one of the retiree plans offered. Details of the plans are available through CalPERS in the carriers' Evidence of Coverage booklets or can be reviewed on the CalPERS website.

### **Cost of Coverage**

Your cost for medical coverage will be determined by the benefits selected, whether you are covering one or two people, and the amount paid by the Plan.

You will select a medical plan and coverage for either one-party or for two-parties. The total cost for the benefits will be paid by: (1) The Plan at a monthly maximum payment per month established annually by the Board of Trustees, less the amount required by CalPERS to be paid each month for each retiree); and (2) by the Covered Retiree (the total medical cost less the amount paid by the Plan).

Your premium for medical coverage is deducted monthly from your pension benefit payment. This Plan will reimburse you for a portion of the monthly medical coverage premium through a recurring deposit made to your designated account at any eligible financial institution from this Plan's fiscal reserves. You are reimbursed monthly up to a maximum amount established annually

by the Board. If the medical coverage you have enrolled in exceeds the maximum, the balance is considered your Self-Payment.

Note: You do not have to establish a separate or new credit union account for payment of medical benefits; you can continue to use the designated account you had as an active employee.

### **Women's Health and Cancer Rights Act of 1998**

This Plan does not provide medical benefits to you directly. However, pursuant to the Women's Health and Cancer Right Act of 1998, the medical plan you select from CalPERS should provide coverage for: (1) all stages of reconstruction of the breast on which the mastectomy has been performed; (2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and (3) prosthesis and physical complications at all state of a 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 are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter. Contact the Plan at (800) 886-7559 for more information.

### **Newborns' and Mothers' Health Protection Act of 1996**

Effective January 1, 1998, an eligible mother and newborn child may have a hospital stay of up to 48 hours for a normal or vaginal delivery, and a hospital stay of up to 96 hours for a cesarean birth, unless an attending physician in consultation with the mother approves an earlier discharge. The time periods outlined above begin at birth of the child.

## **CLAIMS AND APPEALS PROCEDURES**

Your selected plan administers health benefits through CalPERS. You should carefully review the claims appeals procedures for services which are denied in whole or in part by any of the listed providers. If you wish to file a claim, dispute, complaint, or appeal a claim, you must follow the providers' procedures for claims and appeals outlined in the Evidence of Coverage (EOC) booklet.

For appeals regarding your eligibility for a monthly reimbursement of your medical plan premiums, as provided under this Plan, you have the right to appeal any decision made by the Administrative Office or the Board of Trustees regarding your eligibility or claim for reimbursement benefits. You have the right to be represented by an attorney or another representative throughout the claims and appeals procedure. If you or your dependent makes a written claim for eligibility, the Plan must notify you of the status of your claim within 90 days of submission of your claim. Occasionally, the Plan may request, in writing an extension of this 90-day period due to special circumstances associated with processing the claim. In no event shall such extension exceed a period of 90 days from the end of the initial 90-day determination period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Plan expects to make the benefit determination.

The Plan will notify you of its benefit determination within a reasonable period of time, but not later than the end of 90 or 180 days, depending on the existence of special circumstances. If your

claim for benefits is denied, you will be notified in writing. This written notification to you will explain why your claim was denied, refer to specific plan provisions on which this determination is based, tell you to submit any information or other material that might help your claim to be reconsidered, and describe the Plan's appeal procedures and time limit to bring such an appeal.

You have the right to appeal any denial of eligibility or benefits under this Plan, for any reason, provided that you submit your appeal in writing to the Plan no later than sixty (60) days after you receive the Plan's initial benefit determination. Your appeal should explain why you feel the Plan's decision to deny benefits is contrary to the rules and regulations of the Plan, as set forth in this document. You must include any evidence or documentation which supports your position.

Upon written request, you may review pertinent Plan documents and be provided, free of charge, reasonable access to copies of all Plan documents relevant to your appeal. Your appeal may include information or documentation relating to your claims, whether or not such information or documentation was considered or submitted in the initial claim.

Your appeal will be reviewed at the next regularly scheduled Board of Trustees meeting occurring no sooner than 60 days after, and no less than 120 days after the Board of Trustees receives your written appeal. The appeal must be submitted to:

Plan Administrator  
Board of Trustees  
Montebello Teachers Association Retiree Supplemental Health Plan  
c/o Coast Benefits  
3530 Camino Del Rio North, Suite 110  
San Diego, CA 92108

The Board of Trustees of this Plan hold the exclusive, discretionary authority and power to make factual findings, to fix omission, to resolve Plan ambiguities, to construe the terms of the Plan, to make benefit eligibility determinations, and to resolve any other dispute under this Plan. The Board of Trustees will either approve your appeal, request additional information and additional time to consider your appeal, or deny your appeal.

If the Board of Trustees requires additional time and/or information to process your appeal, you will be notified within the original 60-day period. The Board of Trustees will make a decision within 60 days of receipt of the additional information.

If the Board approves your appeal, you will be notified within a reasonable time of its decision. If your appeal is denied, you will be notified in writing within 60 days of receipt of your appeal by the Administrative Office. The written notification will explain to you why your appeal was denied; refer you to specific plan provisions on which this determination is based; inform you of your right to receive, upon request and free of charge, reasonable access to, and copies of all Plan documents relevant to your appeal; and inform you of your right to bring a lawsuit under ERISA. The decision of the Board of Trustees is final and binding upon you and the Board of Trustees.

If you decide to file a legal action against the Plan, a Trustee, the Board, or other Plan fiduciary, you must first exhaust the claims and appeals procedures above and you must file such action within ninety (90) days from the date you receive the final decision.

By participating in the Plan, all Participants, Employees, Pensioners, Beneficiaries, and eligible individuals waive any right to commence, be a party to in any way, or be an actual or putative class member of any class, collective, or representative action brought in any forum (including but not limited to court, arbitration, or the like), where such action is alleged to arise out of or relating to any dispute, claim or controversy relating to the Plan. All Participants, Employees, Pensioners, Beneficiaries, and eligible individuals agree that any dispute, claim or controversy may only be initiated or maintained and decided on an individual basis.

## **SUMMARY OF PLAN'S PRIVACY PRACTICES**

A Federal law, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires the health plans protect the confidentiality of your private health information. The Plan will protect the privacy of your protected health information (PHI). The Plan will also require contracting providers and business associates such as the Plan's lawyers, accountants, and third party professionals, to protect your PHI. PHI is health information that includes your name, Social Security number, or other information that reveals who you are. You may generally see and receive copies of your PHI, correct or update your PHI, and ask the Administrative Office for an accounting of certain disclosures of your PHI.

The Plan may use or disclose your PHI for treatment, payment and health care operations purposes, including health research and measuring the quality of care and medical services. The Plan is sometimes required by law to give PHI to government agencies or in judicial action. In addition, your identifiable medical information is shared with employers only with your authorization or as otherwise permitted by law. The Plan will not use or disclose your PHI for any other purpose without your (or your representative's) written authorization, except as provided in the Plan's Notice of Privacy Practices. Giving the Plan authorization is at your discretion.

This is only a brief summary of some of the Plan's key privacy practices. The Plan's Notice of Privacy Practices describing the Plan's policies and procedures for preserving the confidentiality of your medical records and other PHI is available at no cost and will be furnished to you upon your request. To request a copy, please contact:

Coast Benefits, 3530 Camino Del Rio North,  
Suite 110 San Diego, CA 92108

## **Rights**

As a participant in the Montebello Teachers Association Retiree Supplemental Health Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants are entitled to the following rights.

### **Receive Information about Your Plan and Benefits**

You have the right to:

- Examine, without charge, at the plan administrator office and at other specified locations, such as worksites and union halls, all documents governing the plan. These documents include insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and

available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts (if any), collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The plan administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

## **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of employee benefit plans. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

## **Enforce Your Rights**

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive it within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the plan administrator.

If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or federal court.

However, you may not begin any legal action, including proceedings before administrative agencies, until you have followed and exhausted the Plan's claims and appeals procedures. If it should happen that plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

## **Assistance with Your Questions**

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory. Alternatively, you may obtain assistance by calling EBSA toll-free at (866) 444-EBSA (3272) or writing to the following address:

Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue NW  
Washington, D.C. 20210

You may also obtain certain publications about your rights and responsibilities under ERISA by accessing the resources of the EBSA online at <https://www.dol.gov/agencies/ebsa> or contact the EBSA field office nearest you.

You may also find answers to your plan questions and a list of EBSA field offices at the website of EBSA at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

*Nothing in the foregoing statement is meant to interpret, extend, or change in any way the provisions expressed in the Plan.*

*The Board of Trustees reserves the right to amend, modify, or discontinue all or part of this Plan at any time and for any reason, in its sole and absolute discretion in accordance with procedures specified in the Trust Agreement. You will receive written notice of any Plan changes.*

### **General Plan Information**

- Plan Name Montebello Teachers Association Retiree Supplemental Health Plan
- Plan Type This is a welfare plan that supplements medical premium costs for retiree health benefits.
- Plan Number. Employer Identification Number issued to the Plan is 95-414329. The Plan Number is 501.
- Funding Medium. Benefits of the Plan are provided under service agreements or insurance contracts with various providers through CALPERS. For more information, see “Organizations through Which Benefits Are Provided.”
- Contribution Source. The benefits described in this booklet are provided through member contributions made during active employment, self-payments deducted from the retiree accounts and through investment earnings under this Plan. Plan assets are held in trust at US Bank and are managed by Verus, the Plan’s financial advisor.

The fiscal records of the Plan are kept separately for each fiscal plan year. The fiscal year begins on September 1 and ends on August 31.

Plan Administrator  
Board of Trustees  
Montebello Teachers Association Retiree Supplemental Health Plan  
c/o Coast Benefits  
3444 Camino Del Rio North, Suite 100  
San Diego, CA 92108



The Board of Trustees is the Plan Administrator. This means that the Board of Trustees is responsible for seeing that information regarding the Plan is reported to government agencies and disclosed to Plan participants and beneficiaries in accordance with the requirements of the Employee Retirement Income Security Act of 1974 (ERISA). The Board has contracted with a third-party administrator, Coast Benefits, to handle the day-to-day business of the Plan.

### **Plan Administration**

The Plan is administered by the Board of Trustees, on which employees are represented. If you wish to contact the Board of Trustees, you may do so at the address and phone number shown below.

The routine functions of the Plan are performed by Coast Benefits a third-party administrator (TPA) which function by contract as the Administrative Office for the Plan:

Coast Benefits  
3530 Camino Del Rio North, Suite 110  
San Diego, CA 92108  
(800) 886-7559  
[Insert Coast's e-mail address]

The names of the members of the Board of Trustees, and as of June 1, 2022, are:

- David Navar, President MTA
- Andy Shinn, Trustee
- Roshan Shah, Trustee
- Julian De La Torre, Trustee (Retiree)
- Elizabeth Gasca, Trustee

Board members may be contacted through the Administrative Office, Coast Benefits.

### **Agent for Service of Legal Process:**

Coast Benefits  
3530 Camino Del Rio North, Suite 110  
San Diego, CA 92108

Legal process may also be served on a Plan Trustee.

### **Organizations Through Which Benefits Are Provided**

The following benefits are obtained through CalPERS' contracts with various providers:

#### **Benefit**

*Elected Health Care Plan*

#### **Identity of Provider**

CalPERS Benefits Services Division  
PO Box 942716  
Sacramento, CA 94229-2716  
(888) 225-7377

## **Determining Documents**

If you are eligible under the Plan, your rights can be determined only by the:

- Trust's rules, contracts, and other documents establishing the Plan for benefits provided directly by the Trust;
- group medical and hospital service agreements relating to the hospital and medical benefits provided by health maintenance organizations; and
- The information in this booklet is intended to be a summary of the Plan's eligibility rules and benefits. However, the provisions of current governing Plan documents will prevail in any dispute. Copies of current Plan documents may be requested from the Administrative Office.

The carriers that provide fully insured benefits, identified above, pay claims and handle claims appeals related to their program of benefits. These organizations will supply you, upon written request, printed materials concerning the nature of services provided, conditions pertaining to eligibility to receive such services (other than general conditions pertaining to eligibility for participation in the Trust), circumstances under which such services may be denied, the procedures to be followed in obtaining such services, and the procedures available for the review of claims for services that are denied in whole or in part. Requests for such material may be addressed to the Plan Administrator at the address given above.

## **Trust Fund**

The Trust's assets and reserves are held in trust by the Board of Trustees of the Montebello Teachers Association Retiree Supplemental Health Plan. An account was established with US Bank for this purpose. Verus assists the Board in its capacity as investment advisors.

## Appendix A – Benefit Payment Examples

An example of how benefits are paid, as set forth in the Definitions Section, is as follows:

Assume the Board of Trustees have established a reimbursement benefit up to \$500 in a given year (less any direct deposit bank fees charged to the Plan by the Plan’s financial institution), toward the monthly cost of retiree health coverage provided through CalPERS. Assume the cost of premium for the retiree is \$600, which is deducted from the Retiree’s STRS pension, and the District pays \$105.70 toward the Participant’s monthly premium.

- The eligible reimbursement of \$500.00 is reduced by the direct-deposit administrative fee charged to the Plan by its financial institution, which shall be determined annually by the Board of Trustees. Assume, for purposes of this example only, that this fee is \$0.35.
  
- The Trust Fund reimburses the Retiree up to the benefit maximum of \$500.00 to the eligible account, minus a District contribution of \$105.70, and minus a direct deposit fee of \$0.35. The Retiree’s out-of-pocket premium cost is \$100.35, as shown in the following table:

Description	Amount	Running Total:
<b>Plan Reimbursement Amount:</b>		
Annual Plan reimbursement maximum	\$ 500.00	\$ 500.00
District contribution amount	\$ (105.70)	\$ 394.30
Direct deposit fee	\$ (0.35)	\$ 393.95
<b>Total Reimbursement from Plan</b>	<b>\$</b>	<b>\$ 393.95</b>
<b>Amount Paid by Participant</b>		
CalPERS Monthly Premium	\$ 600.00	\$ 600.00
Plan reimbursement amount (see above)	\$ (393.95)	\$ 206.05
District contribution amount:	\$ (105.70)	\$ 100.35
<b>Total Due From Participant</b>		<b>\$ 100.35</b>

*Notice: The above illustration is an example only. The final amount payable by the Plan may be higher or lower depending on the rules of the Plan in place at the time the Participant commences benefits.*