

EMPIRE STATE MERIT APPRENTICESHIP ALLIANCE

QSEHRA

SUMMARY PLAN DESCRIPTION

01/01/2020

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INTRODUCTION

Empire State Merit Apprenticeship (the "Company") established the Empire State Merit Apprenticeship Alliance QSEHRA (the "Plan") effective 01/01/2021.

Although the purpose of this document is to summarize the more significant provisions of the Plan, the Plan document will prevail in the event of any inconsistency.

ELIGIBILITY FOR PARTICIPATION

Eligible Employee

You are an "Eligible Employee" if you are employed by Empire State Merit Apprenticeship or any affiliate who has adopted the Plan. However, you are not an "Eligible Employee" if you are any of the following:

Covered by a collective bargaining agreement.

A leased employee.

A non-resident alien who received no U.S. earned income.

A part-time employee who is expected to work less than 32 hours per week.

Date of Participation

You will become a Participant eligible to receive benefits from the Plan on the first day of the calendar month coincident with or next following the date you attain age 18 and you complete 30 days of service as an Eligible Employee.

You will stop being a participant eligible to receive benefits from the Plan on the date you are no longer an Eligible Employee or the date you terminate employment with the Company.

HEALTH REIMBURSEMENT BENEFITS

Health Reimbursement Account

When you become eligible to participate in the Plan, the Plan will establish a health reimbursement account in your name. You will be entitled to receive reimbursement from this account for Eligible Expenses incurred by you, your spouse and dependents, if any (Covered Persons). A dependent is generally someone who you may claim as a dependent on your federal tax return and also includes a child up until their 26th birthday. You may receive reimbursement for Eligible Expenses incurred at a time when you are actively participating in the Plan. The amount of reimbursement for Eligible Expenses is limited to the remaining balance in your account.

Limits on Reimbursement

The annual limits on reimbursement are as follows:

One Covered Person (Participant only): 5300

Two Covered Persons (Participant plus one other Covered Person): 10700

More than two Covered Persons (Family coverage): 10700

The entire amount of the limit specified above will be credited to your account at the beginning of the Plan Year. If you enter the Plan at a time other than the beginning of the Plan Year, the amount credited to your account will be reduced to reflect the time of actual participation.

In addition, if the number of Covered Persons entitled to reimbursement under your health reimbursement account changes before the next time your account is credited, contributions will be prorated to accommodate the change (if the number of Covered Persons decreases, amounts may be forfeited from your account or future contributions may be discontinued).

Any amounts remaining in your account at the end of the Plan Year and any balance remaining in your account on the date you terminate employment with the Company will be forfeited after all claims are paid.

Deductible

The annual Plan deductible is \$0.

You must meet the annual deductible above before your Plan will reimburse for Eligible Expenses. Please note that the deductible above is for this plan (the Health Reimbursement Account) and NOT the deductible(s) for Company-sponsored health plan(s).

Eligible Expenses

During the time you are eligible to participate in the Plan, the Plan will reimburse all medical expenses for Covered Persons that are listed on the Eligible Expenses Appendix. The Plan will not reimburse you for the cost of medicines or drugs unless such medicine or drug is a prescribed drug (determined without regard to whether such drug is available without a prescription) or is insulin. You will not be reimbursed for any expenses that are (i) not incurred in the Plan Year, (ii) incurred before or after you are eligible to participate in the Plan, (iii) attributable to a tax deduction you take in a prior taxable year, or (iv) covered, paid or reimbursed from any other source.

Coordination with Other Plans

All claims for benefits that are covered by an insurance policy must be made to the

insurance company issuing such insurance policy.

Limits on Certain Employees

If you are a highly paid employee or an owner of the Company, federal law may impose limits on your eligibility to participate in the Plan and/or the benefits you may receive from the Plan.

CLAIMS

Deadlines

You must submit claims for reimbursement within 90 days after the end of the Plan Year.

Documentation of Claims

Any claim for benefits must include all information and evidence that the Plan Administrator deems necessary to properly evaluate the merits of the claim. The Plan Administrator may request any additional information necessary to evaluate the claim.

Method and Timing of Payment

To the extent that the Plan Administrator approves a claim, the Company may either (i) reimburse you, or (ii) pay the service provider directly. The Plan Administrator will pay claims at least once per year. The Plan Administrator may provide that payments/reimbursements of less than a certain amount will be carried forward and aggregated with future claims until the reimbursable amount is greater than a minimum amount. In any event, the entire amount of payments/reimbursements outstanding at the end of the Plan Year will be reimbursed without regard to the minimum payment amount.

Where to Submit Claims

All claims must be submitted to GMR Associates, Inc. at 300 Buell Road Rochester, NY 14624. The telephone number is 585-429-1330 x127.

Refunds/Indemnification

You must immediately repay any excess payments/reimbursements. You must reimburse the Company for any liability the Company may incur for making such payments, including but not limited to, failure to withhold or pay payroll or withholding taxes from such payments or reimbursements. If you fail to timely repay an excess amount and/or make adequate indemnification, the Plan Administrator may: (i) to the extent permitted by applicable law, offset your salary or wages, and/or (ii) offset other benefits payable under this Plan.

Beneficiary

If you die, your beneficiaries may submit claims for Eligible Expenses for the portion of the Plan Year preceding the date of your death. You may designate a specific beneficiary for this purpose provided that such beneficiary is your spouse or one or more of your dependents. If no beneficiary is specified, the Plan Administrator may pay any amount due to your spouse or, if there is no spouse, to your dependents in equal shares.

CONTINUATION RIGHTS

Military Service

If you serve in the United States Armed Forces and must miss work as a result of such service, you may be eligible to continue to receive benefits with respect to any qualified military service.

FMLA

If you go on unpaid leave that qualifies as family leave under the Family and Medical Leave Act you may be able to continue receiving benefits.

YOUR RIGHTS

As a participant in this Plan, you are entitled to certain rights and protections. You have the right to:

Reduction or elimination of exclusionary periods of coverage for preexisting conditions under your group health plan, if you have creditable coverage from another plan. You should be provided a certificate of creditable coverage, free of charge, from your group health plan or health insurance issuer when you lose coverage under the plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage. Without evidence of creditable coverage, you may be subject to a preexisting condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage. (Certificates of creditable coverage are no longer required after December 31, 2014.)

MISCELLANEOUS

Qualified Medical Child Support Orders

In certain circumstances you may be able to enroll a child in the Plan if the Plan receives a Qualified Medical Child Support Order (QMCSO) and/or National Medical Support Notice. You may obtain a copy of the medical child support procedures from the Plan Administrator, free of charge.

Special Enrollment Rights

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance coverage, you may in the future be able to enroll yourself or your dependents in this plan, provided that you request enrollment within 30 days after your other coverage ends. If you or your dependents become ineligible for Medicaid or a state child health program (CHIP) or become eligible for premium assistance under Medicaid or a state child health program (CHIP), you must request enrollment within 60 days. In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

Women's Health and Cancer Rights Act

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for: All stages of reconstruction of the breast on which the mastectomy was performed; Surgery and reconstruction of the other breast to produce a symmetrical appearance; Prostheses; and Treatment of physical complications of the mastectomy, including lymphedemas.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan. If you would like more information on WHCRA benefits, call your Plan Administrator at the number provided at the end of this Summary Plan Description.

Newborns' And Mothers' Health Protection

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Loss of Benefit

You may lose all or part of your account if the unused balance is forfeited at the end of a Plan Year and if we cannot locate you when your benefit becomes payable to you.

You may not alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which you may expect to receive, contingently or otherwise, under the Plan, except that you may designate a Beneficiary.

Amendment and Termination

The Company may amend, terminate or merge the Plan at any time.

Administrator Discretion

The Plan Administrator has the authority to make factual determinations, to construe and interpret the provisions of the Plan, to correct defects and resolve ambiguities in the Plan and to supply omissions to the Plan. Any construction, interpretation or application of the Plan by the Plan Administrator is final, conclusive and binding.

Taxation

The Company intends that all benefits provided under the Plan will not be taxable to you under federal tax law. However, the Company does not represent or guarantee that any particular federal, state or local income, payroll, personal property or other tax consequence will result from participation in this Plan. You should consult with your professional tax advisor to determine the tax consequences of your participation in this Plan.

Privacy

The Plan is required under federal law to take sufficient steps to protect any individually identifiable health information to the extent that such information must be kept confidential. The Plan Administrator will provide you with more information about the Plan's privacy practices.

ADMINISTRATIVE INFORMATION

1. The Plan Sponsor and Plan Administrator is Empire State Merit Apprenticeship.
Its address is 6320 Fly Road, Suite 210A, East Syracuse, NY 13507.
Its telephone number is 800-477-7743.
Its Employer Identification Number is 20-8482142.
2. The Plan is a welfare benefit plan which has been designated by the sponsor as its plan number is 512.
3. The Plan's designated agent for service of legal process is the chief officer of the entity named in number 1. Any legal papers should be delivered to him or her at the address listed in number 1. However, service may also be made upon the Plan Administrator.
4. The Company's fiscal year ends on 06/30 and the plan year ends on 12/31.

Eligible Expenses Appendix

Premiums only for eligible Individual Health Plans that meet the minimum essential value requirements as outlined by the Affordable Care Act

GRANDFATHERED PLAN NOTICE

This group health plan believes this plan is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator at the contact information listed in the Summary Plan Description, above.

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