



TO: All Participants in the Retiree Medical Expense Reimbursement Plan  
of the Community College Employees Benefit Trust

FROM: Board of Trustees, Community College Employees Benefit Trust

RE: **Changes to Plan:** Remove Domestic Partners as Beneficiaries; Change Active  
Service Eligibility Requirement; Prevention of Assignment of Benefits and Rights  
(Plan Amendment No. 11)

DATE: April 1, 2016

This letter contains important information about your rights and benefits under the Restated Retiree Medical Expense Reimbursement Plan (“Plan”) of the Community College Employees Benefit Trust (“Trust”). Please file it with your important documents.

**I. CHANGES TO THE PLAN**

The Board of Trustees recently adopted Amendment No. 11 to the Plan. The highlights are as follows:

- Elimination of Domestic Partners as Beneficiaries. All legally married spouses -- including same sex spouses -- are now considered Beneficiaries under the Plan. As a result, since domestic partners are now legally permitted to marry, and benefits to domestic partners require taxation, the Plan will no longer provide benefits to domestic partners. That is, domestic partners will no longer be eligible as Beneficiaries on the Plan, effective for claims received by the Trust Office on or after July 1, 2016.
- Increased Minimum Active Service Requirement for Employees Hired on or after July 1, 2014. The Board of Trustees has raised the threshold for the amount of Active Service necessary to achieve eligibility for lifetime monthly benefits; this new rule will apply to Employees hired on or after July 1, 2014.<sup>1</sup> An Employee hired on or after July 1, 2014, must have a minimum of ten years of Active Service, i.e., monthly contributions to the Plan, in order to attain eligibility for the lifetime<sup>2</sup> monthly benefit payments. Employees who separate from employment with less than the minimum Active Service will still be eligible to receive reimbursement of Covered Expenses up to the total contributions made on their behalf during employment.

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<sup>1</sup> The Active Service threshold remains 5 years for Employees hired before July 1, 2014. The Plan also gives partial credit for time employed prior to the start of the Plan. See Section 2.2 for a full description of Active Service calculation.

<sup>2</sup> The Plan is designed to provide monthly benefits until death. However, the Board of Trustees reserves the right to increase, decrease or terminate benefits at any time.

- Prohibition of Assignment of Benefits and Rights. To protect your right to receive your benefits from this Plan, the Trustees have added provisions to the Plan to prevent your creditors from obtaining rights to your Plan benefits; and prohibiting the assignment of benefits under the Plan to medical providers or any other creditor or entity. This Plan will pay benefit claims only to a Plan Beneficiary, not to any other entity or individual (except a legal representative appointed by a court).

If you have any questions about Plan Amendment No. 11, or would like a copy of the Summary Plan Description or the full Plan, please call the Trust Office, Delta Fund Administrators, Phone: (800) 700-6762.

## II. HIPAA NOTICE AVAILABLE

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) contains a Privacy Rule, which establishes national standards to protect individuals' medical records and other personal health information ("PHI"). The rule requires the protection of personal health information, sets limits and conditions on how such information can be shared, and gives patients certain rights over the disclosure of PHI. The Board of Trustees has appointed a Privacy Contact Person. The Privacy Contact Person will ensure that the privacy of your PHI is maintained in accordance with the terms of the Privacy Rule and other applicable laws. You may file a Privacy Complaint with the Privacy Contact Person whenever you believe that there has been a violation of the Privacy Rule.

The Trust has a HIPAA "Notice of Privacy Practices" that describes how the Trust may use and disclose medical information about you. The Privacy Notice also informs you of your rights under HIPAA and how you can get access to protected health information maintained by the Trust. Please contact the Privacy Contact Person at the Trust Office at any time to obtain further information and assistance or a current copy of the Privacy Notice:

Community College Employees Benefit Trust  
c/o Delta Fund Administrators  
Attn: Privacy Contact Person  
1234 W. Oak Street  
Stockton, CA 95203  
Phone: (800) 700-6762  
Fax: (209) 955-4190

Please keep this Summary of Material Modifications with your Summary Plan Description for future reference.

***NOTE: This Notice serves as the Summary of Material Modifications, as required by Employee Retirement Income Security Act of 1974 (ERISA), and as such, is designed to explain recent changes made to the Retiree Medical Expense Reimbursement Plan. However, it does not provide all the details and limitations of the Plan. Exact specifications are provided in the "Second Restated Medical Expense Reimbursement Plan of the Community College Employees Benefit Trust," restated effective August 1, 2015, and as amended thereafter, which will prevail in case of conflict with this Notice.***