

**INTERNATIONAL BROTHERHOOD OF TEAMSTERS LOCAL NO. 710  
HEALTH & WELFARE FUND**

**HEALTH REIMBURSEMENT ARRANGEMENT FOR ACTIVE PARTICIPANTS**

**SUMMARY**

**INTRODUCTION**

Effective January 1, 2026, the Fund will offer a health reimbursement arrangement (called, an “HRA”) to all active Fund participants who have coverage under the Fund’s Group Health Plan. An HRA is a medical plan that provides for reimbursement of Eligible Medical Expenses incurred by Participants and the Participants’ Spouse and Dependents. Participants who are covered under the Fund on account of their active employment will have coverage under the Fund’s Group Health Plan as well as the HRA.

**QUESTIONS AND ANSWERS**

**1. What is a Health Reimbursement Arrangement?**

An HRA is a medical plan to assist Participants in paying for otherwise unreimbursed medical expenses incurred by the Participants and the Participants’ Spouse and Dependents.

**2. Who is eligible to participate in the HRA?**

Individuals who have coverage under the Fund’s Group Health Plan on account of their active employment will be eligible to participate in the HRA.

**3. When will participation in the HRA begin?**

An individual who is enrolled in coverage under the Fund’s Group Health Plan on account of their active employment on January 1, 2026, will become covered under the HRA on that date. After January 1, 2026, an individual will begin participation in the HRA at the time of his or her enrollment in the Fund’s Group Health Plan on account of active employment.

**4. What is an HRA Account?**

Upon beginning participation in the HRA, the Fund will establish an account for the Participant (“HRA Account”). The Participant can use the HRA Account for reimbursement of Eligible Medical Expenses incurred by the Participant and the Participant’s Spouse and Dependents.

Reimbursements for Eligible Medical Expenses incurred by the Participant and the Participant’s Spouse and Dependents, and submitted to the HRA for reimbursement, will be charged against the Participant’s HRA Account.

The HRA Account for each Participant in the HRA is merely a recordkeeping account for the purpose of keeping track of contributions, reimbursements, and remaining amounts available for reimbursement.

The Fund will *not* create a separate fund or account for this purpose or otherwise segregate any assets for the benefit of the Participant.

**5. What amount will be credited to the HRA Account each year?**

The amount credited to a Participant's HRA Account each Plan Year is called the Annual Benefit. The Annual Benefit will be determined in the sole and absolute discretion of the Board of Trustees of the Fund. Any change to the Annual Benefit will be communicated to the Participants in writing in advance of any such change.

For the 2026 calendar year (and thereafter until changed by the Board of Trustees), the Annual Benefit will be \$1,000. The Annual Benefit will be allocated to Participants' HRA Accounts on a monthly prorated basis. That is, an amount equal to \$83.33 will be allocated to a Participant's HRA Account for each month during the calendar year in which the Participant is an active employee of a contributing employer to the Fund.

**6. Are participants permitted to make contributions to the HRA?**

Participants are not permitted to make any contributions to the HRA. The HRA is funded solely from contributions to the Fund by contributing employers.

**7. What happens to unused amounts in the HRA Account at the end of the calendar year?**

Any unused amounts in the participant's HRA Account at the end of the calendar year will remain in the participant's HRA Account (that is, unused amounts are "rolled over" to the next year) and will remain in the Participant's account until the amounts in the HRA Account have been exhausted by reimbursements to the participant for Eligible Medical Expenses of the Participant and the Participant's Spouse and Dependents.

The amount available for reimbursement at any time is the amount credited to the Participant's HRA Account as of that date in the calendar year, plus any unused amounts rolled over from prior calendar years, and minus any prior reimbursements from the HRA Account for Eligible Medical Expenses.

**8. What happens to the Participant's HRA Account if the Participant terminates employment?**

If a Participant terminates employment and ceases active participation in the Fund during the year, the monthly allocations to the Participant's HRA Account will cease, subject to a COBRA election. However, the former employee will remain a Participant in the HRA solely for purposes of reimbursement of Eligible Medical Expenses until the amount credited to the Participant's HRA Account at the time of his termination of employment is fully depleted. A former employee or beneficiary may use the amount in the HRA Account to pay the COBRA premium.

**9. What happens to a Participant's HRA Account if the Participant dies before the amount is depleted?**

If a Participant dies, the Participant's surviving Spouse and Dependents may submit claims for medical expenses incurred by them until the funds in the HRA Account are depleted.

#### **10. What are Eligible Medical Expenses?**

"Eligible Medical Expenses" means expenses incurred by a Participant or the Participant's Spouse or Dependents for medically necessary health care. For purposes of the HRA, medically necessary health care means amounts paid for "medical care" as defined in Section 213(d) of the Internal Revenue Code, including, for example, amounts incurred (deductibles, copayments, coinsurance) for certain hospital bills, doctor and dental bills, prescription drugs and vision care. Use the following link for more information regarding Eligible Medical Expenses: <https://www.wexinc.com/resources/benefits-toolkit/eligible-expenses/>.

Eligible medical expenses shall not include any of the following: (1) health insurance premiums for individual policies or for any other group health plan (including the Group Health Plan sponsored by the Fund); (2) any expenses that are not eligible for reimbursement under Section 213(d) of the Internal Revenue Code; and (3) any other expenses as determined by the Board of Trustees in its sole discretion.

The Fund reserves the right, in consultation with advisors, to deny reimbursement of expenses if the health care service for which reimbursement is sought is not medically necessary. In making medical necessity determinations, the Board of Trustees of the Fund, in consultation with its advisors, will look to what is commonly and customarily considered appropriate health care treatment in the United States.

#### **11. When are medical expenses incurred?**

Medical expenses are incurred at the time the medical care or service giving rise to the expense is furnished, and not when the individual incurring the expense is formally billed for, is charged for, or pays for the medical care. Medical expenses incurred before the effective date of the HRA (January 1, 2026), or before an individual first begins participation in the HRA, are not eligible for reimbursement.

#### **12. Are there other limitations on reimbursement of medical expenses?**

Medical expenses may be reimbursed from the Participant's HRA Account only to the extent that the Participant (or the Participant's Spouse or Dependent) is not reimbursed for the expense through the Fund's Group Health Plan, other group health coverage, any insurance, or any other accident or health plan. If only a portion of a medical expense has been reimbursed elsewhere (e.g., because the other plan imposes co-payment or deductible limitations), the HRA Account may reimburse the remaining portion of such expense, if it otherwise meets the requirements of the HRA.

The HRA Account cannot be used to reimburse the Participant for any medical expenses incurred prior to the effective date of the HRA (January 1, 2026) or prior to the Participant's participation in the HRA.

You should consult your tax professional regarding amounts received under the HRA.

#### **13. How do I use my HRA Debit Card to pay for Eligible Medical Expenses?**

The Fund has contracted with a vendor called WEX to provide you with a debit card (“HRA Debit Card”) to use for Eligible Medical Expenses at certain retailers and providers. You will receive two HRA Debit Cards from WEX for you to use, as well as instructions on how to access your WEX online account and the WEX app on your mobile device.

Each time you swipe your HRA Debit Card at an eligible retailer or provider, your available HRA balance will be electronically debited to pay for the Eligible Medical Expense. According to IRS regulations, you must still substantiate certain expenses to confirm that they are for Eligible Medical Expenses. When an expense on your HRA debit card needs to be substantiated, WEX will send you a request for documentation, either by email or by mail if your email is not on file with WEX. Simply log in to your WEX online account or WEX mobile app to upload the documentation (e.g., detailed receipt) showing the date, type, provider and cost of service.

#### **14. How do I submit claims for reimbursement of Eligible Medical Expenses if I do not use my HRA Debit Card at the retailer or provider?**

If you do not use your HRA Debit Card to pay for your medical expenses, you may submit claims to WEX for reimbursement of Eligible Medical Expenses incurred by you, your Spouse or your Dependents. You may submit these claims for reimbursement by logging into your WEX online account or the WEX app on your mobile device to upload the claim, including a detailed receipt showing the date, type, provider and cost of service. You may also submit your claim to WEX by mail or fax.

Mail:

WEX

P.O. Box 2926

Fargo, ND 58108-2926

Fax: 866-451-3245

All claims must be submitted no later than one year following the date on which the medical expense was incurred.

WEX will respond to your claim for reimbursement in accordance with its standard internal procedures for responding to claims for benefits under the HRA. For more information, please call WEX, toll-free, at 866-451-3399 or write to WEX at the above address.

#### **15. What information is required for a claim for reimbursement?**

For a claim for reimbursement, the Participant must submit the following: (1) documentation of the medical expenses; and (2) a certification that (i) no other insurance covers the expenses, (ii) no other claim for reimbursement for such expenses has been submitted to any other plan or coverage, and (iii) no deduction for such expenses has previously been taken under Section 213 of the Internal Revenue Code. For certain claims, a “medical necessity” form must be submitted. WEX will contact you with more information if the “medical necessity” form applies to your claim.

Appropriate documentation may include receipts, invoices, bills, insurance records, and any other necessary information to support the claim. You may also submit your Explanation of Benefits to WEX

which will include the necessary information for your claim. Each claim must clearly indicate the date on which the medical expense was incurred, the type of service, the provider and the cost of the service. For a medicine or drug, the Participant must submit either a copy of the prescription along with the receipt showing the date of the sale and the amount of the charge, *or* a receipt from the pharmacy that identifies the name of the person to whom the prescription applies, the date and amount of the purchase and an Rx number.

#### **16. How should a Participant appeal the denial of a claim for benefits?**

WEX is responsible for processing all appeals of denied claims for benefits under the HRA. If WEX denies your claim under the HRA, you may submit an appeal to WEX, including the reasons for your request for review, within 180 days of the first denial date. You may want to review this short video on how to submit an appeal of a claim denial: <https://app.screencast.com/MZT0GZfnqdSap>

WEX will make a decision on the appeal in accordance with its standard internal appeals procedures. For more information, on the process for an appeal and your rights on denial of your claim and the appeal of the denial of your claim, please reach out to WEX, toll-free, by phone at 866-451-3399 or by fax at 866-451-3245. You may also write to WEX at P.O. Box 2926, Fargo, ND 58108-2926.

#### **17. How should an individual appeal the denial of eligibility for coverage under the HRA?**

The Fund will handle all eligibility determinations. If the Fund determines that you are not eligible for coverage under the HRA, you may appeal this decision to the Board of Trustees by following the procedures set forth in Section 22 in the SPD (Claim Appeals) for appealing an eligibility determination. The Board of Trustees will respond to the appeal regarding your eligibility in the manner and within the time period as set forth in Section 22 of the SPD. Please refer to Section 22 of the SPD for detailed information on appealing eligibility determinations.

#### **18. How are the expenses of the HRA paid?**

All expenses of the HRA will be paid solely by the Fund. It is the responsibility of the Board of Trustees, in consultation with the various professional advisors it may hire (attorneys, recordkeepers, third-party administrators, accountants and other consultants), to ensure that the HRA is operated in the best interests of the Participants and beneficiaries.

#### **19. Termination and Amendments**

Although the Board of Trustees hopes to continue providing this benefit in the future, the Board of Trustees reserves the right to terminate the HRA at any time and for any reason in its sole discretion. In the event of the termination of the HRA, all then current Participants will cease participation in the HRA and will cease to be eligible for any reimbursements from the HRA for any medical expenses, whenever incurred, except to the extent otherwise determined by the Board of Trustees.

The Board of Trustees may change, amend, or alter any provision of the HRA at any time and for any reason in its sole and absolute discretion, including without limitation the amount and allocation of the Annual Benefit.

All Participants will receive written notice of any changes or amendments to the HRA in advance of the effective date of any change.

## **20. HRA Interpretation**

The Board of Trustees has the sole and absolute discretion to determine eligibility to participate in the HRA. The Board of Trustees also has the sole and absolute discretion to make determinations regarding the eligibility of an expense for reimbursement under the HRA. All determinations by the Board of Trustees shall be made in a non-discriminatory manner and consistent with applicable laws. In making such decisions, the Board of Trustees has the sole and absolute discretion to determine the relevant facts, to apply the law to the facts, and to construe and interpret the terms of the HRA. The decisions of the Board of Trustees with respect to eligibility to participate in the HRA and with respect to medical expenses reimbursable hereunder shall be final and binding in accordance with applicable law. All determinations of the Board of Trustees with respect to any matter hereunder shall be conclusive and binding on all persons and entitled to the maximum deference permitted under the law.

## **21. Definitions**

**“Dependent”** means any individual (a) who is the Participant’s natural child, stepchild, legally adopted child (or child lawfully placed for adoption) or eligible foster child (as defined in Code §152(f)(1)) and (b) who has not reached age 26. An unmarried child who is physically or mentally disabled is covered under the HRA regardless of age, if he or she was disabled before the age of 19 and if the Participant claims the child as a dependent on the Participant’s federal income tax return for the Plan Year.

**“Eligible Medical Expenses”** has the meaning set forth in Q&A-10.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

**“Group Health Plan”** means the health care plan or plans that the Fund maintains for its Participants (and for the Participants’ Spouse and Dependents who may be eligible under the terms of such plans) and that provide “minimum value” within the meaning of the Patient Protection and Affordable Care Act (ACA). The Fund may substitute, add, subtract or revise at any time the menu of such plans and/or the benefits, terms, and conditions of such plans.

**“HRA Account”** means the HRA Account described in Q&A-4.

**“HRA Debit Card”** has the meaning set forth in Q&A-13.

**“Participant”** means an individual who has coverage under the Fund’s Group Health Plan on account of his or her active employment with a contributing employer to the Fund.

**“Plan Year”** means the 12-month period beginning January 1 and ending December 31, except in the case of a short plan year which includes the initial Plan Year, a year in which the Plan Year is changed or the year in which the HRA is terminated, in which case the Plan Year shall be the entire short plan year.

**“Spouse”** means an individual who is legally married to a Participant as determined under applicable

state law (and who is treated as a spouse under the Internal Revenue Code).

## **22. Opt-Out Rights**

The HRA constitutes minimum essential coverage, as defined under Section 5000A of the Internal Revenue Code, for purposes of complying with the individual mandate under the Patient Protection and Affordable Care Act (ACA). Enrollment in the HRA will preclude an individual from claiming premium tax credit (premium subsidy) under section 36B of the Internal Revenue Code for individual coverage obtained through the Health Insurance Marketplace. The U.S. Department of Labor requires that employees be permitted to either irrevocably suspend their HRA for a fixed period of time *or* permanently opt-out of the HRA by forfeiting their account balance and waiving any future contributions. Electing either option would preserve the eligibility of the individual to claim a premium subsidy for coverage obtained through the Health Insurance Marketplace.

If you wish to assure your eligibility for premium subsidies for coverage obtained through the Health Insurance Marketplace, you may want to elect to opt out of the HRA for a fixed period of time or permanently by forfeiting your account balance and waiving any future reimbursements of amounts available to you. If you choose to suspend your HRA, you, your Spouse and your Dependents will cease to have access to the HRA during the suspension and will be ineligible for reimbursement of any Eligible Medical Expenses incurred during the suspension. If you wish to reactivate your suspended account for the following Plan Year, you must provide notice of your intent in writing.

The Board of Trustees does not provide any tax or legal advice to Participants and makes no commitment or guarantee that any amounts paid to or for the benefit of a Participant, Spouse or Dependents under the HRA will be excludable from gross income for federal, state or local income tax purposes. You should contact your financial and tax advisors for further information.

## **23. Non-Assignment of Benefits and Rights**

Except as may otherwise be required by applicable law, the right to receive any benefit payments under any provision of this HRA is personal to the Participant, or to the Participant's Spouse or Dependents, as applicable. As such, the HRA does not recognize any assignment, in whole or in part, to any person or entity, including without limitation to a healthcare provider, for any reason, including the right to payment of reimbursements, the right to pursue or appeal a claim, or any other right to which the Participant, the Participant's Spouse or Participant's Dependents may be entitled under the HRA, ERISA or other applicable law, procedure or regulation. No benefits or coverage under the HRA may be transferred by the Participant, the Participant's Spouse or Participant's Dependents to any other person or entity at any time. Under no circumstances will the HRA's direct payment of any amounts to any person or entity constitute a waiver of this non-assignment provision with respect to any party, including an in- or out-of-network provider, nor will any such direct payment make any party an assignee to the Participant's rights, or to the rights of the Participant's Spouse or Dependents, under the HRA, or confer on any provider any rights under the HRA or ERISA.

## **CONCLUSION**

The Board of Trustees hopes that this information has answered your questions about the HRA offered under the Teamsters Local Union 710 Health and Welfare Fund and has explained how to obtain

reimbursement of Eligible Medical Expenses incurred by you and your Spouse and Dependents. Again, please keep this information with your other important documents so that you can refer to it when you have questions about the HRA.