

# Membership Enrollment Kit

[www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com)



Please complete and submit the enclosed Membership Enrollment Form and send it to the Third-party Administration (TPA) service provider. Your account may forfeit to the plan to pay operating expenses if a completed Membership Enrollment Form is not received: a) within six months if your account is less than \$250; or b) within 20 months if your account is more than \$250.

## Membership Enrollment Kit includes:

1. Description of Plan Benefits & Investment Fund Information
2. Membership Enrollment Form
3. Investment Fund Overview (updated quarterly; available online or from your union office)

## Description of Plan Benefits & Investment Fund Information

### Introduction

The Electrical Workers' HRA is a tax-free health reimbursement arrangement (HRA) that enables your employer to make contributions into a trust account on your behalf. Your account can then be used to reimburse eligible out-of-pocket health care costs and premiums for you, your legal spouse, and your qualified children and dependents.

Electrical Workers' HRA accounts are considered to be "integrated" with your qualified group health plan coverage. The plan is available to IBEW staff, IBEW union members, and other eligible non-union employees.

The Electrical Workers' HRA is offered by a non-profit voluntary employees' beneficiary association (VEBA) trust. The trust is governed by an eight-member board of trustees. Four trustees represent union members and are appointed by participating IBEW locals; the other four trustees are appointed by NECA to represent employers.

Contributions, earnings, and reimbursements (claims) are not required to be reported on Form W-2 from your employer and you will not receive a Form 1099 for any earnings or withdrawals (claims). You may invest your account among the available investment funds. Unused funds in your account carry over from year to year.

### Availability of Summary Health Information

As a participant in the Electrical Workers' HRA Plan, the benefits available to you under the Plan, as well as any limitations, are important. To help you understand the types of benefits provided and any applicable limitations, the Plan makes available a **Summary Plan Description (SPD)** and a **Summary of Benefits and Coverage (SBC)**, which summarize important information about your account. The SPD is written to address specific information about your Plan, including Plan benefits, how to utilize your participant account, and your rights as a Electrical Workers' HRA participant. The SBC is required

by federal regulation including the format and content, and is designed to apply to health insurance plans. Your Electrical Workers' HRA account is not a health insurance plan. Therefore, the SBC indicates that some of the information and defined terms are not applicable to Electrical Workers' HRA account(s). The SPD and SBC are both available online or by logging in to your account at: [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com). Paper copies are also available upon request, free of charge, by calling 1-800-832-2101.

### Contributions

Tax-free contributions to your Electrical Workers' HRA account are made by your employer.

#### Union Employees

Negotiated employer contributions for union members are set through bargaining and may be based upon the union member's classification. Union members with questions should consult their collective bargaining agreement or contact their union representative.

#### Non-union Employees

If you are a non-union employee, contribution methods and amounts are typically defined by employer policy. Non-union employees should contact their employee benefits office for eligibility and contribution details.

### Investment Options

Electrical Workers' HRA offers eight investment funds:

1. Goldman Sachs Gov't Money Market Fund
2. American Beacon Flexible Bond
3. Vanguard LifeStrategy Income Fund\* (default)
4. Vanguard LifeStrategy Conservative Growth Fund
5. Vanguard LifeStrategy Moderate Growth Fund
6. Vanguard LifeStrategy Growth Fund
7. Vanguard Total Stock Market
8. Vanguard FTSE All-World Ex-US Index

[www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com)

# Description of Plan Benefits & Investment Fund Information

You can self-direct the investment of your account among any one or more of the eight funds, and you can change your fund selection once per calendar month. If no investment choice is received by TPA service provider, contributions received on your behalf will be invested in a default investment.\*

More investment information can be found later in this document. Please read this information carefully and consult with your personal financial advisor before making an investment decision. The Trustees, your employer, your bargaining representatives, and the agents of each do not give investment advice.

Net investment earnings (or losses) after fund management and trust administrative expenses have been deducted are credited tax-free to your account on a monthly basis.

## Claims

Claims submitted for you, your legal spouse, and your qualified children and dependents must be for eligible expenses and premiums incurred after your account is opened. More detail on eligible dependents can be found online at [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com).

Before submitting claims, a completed and signed **Membership Enrollment Form** must be on file with the TPA service provider.

Simply mail, e-mail, or fax a completed **Claim Form** to the TPA service provider. You will need to include proof of your expense such as a detailed receipt or an Explanation of Benefits (EOB) from your insurance provider.

Automatic reimbursement of your monthly qualified insurance premiums is available. Just submit a completed **Automatic Premium Reimbursement Form**.

If you or your legal spouse have a Section 125 health care flexible spending account (FSA), you must use up the FSA benefits before submitting an eligible HRA claim.

## Qualified Expenses & Premiums

Common qualified expenses include co-pays, coinsurance, deductibles, prescriptions, etc. Eligible insurance premiums include medical, dental, vision, and long-term care (tax-qualified, subject to IRS limits).

Medicare Part B, Medicare Part D, and Medicare supplement plan premiums are also eligible. A more detailed list can be found online at [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com).

Insurance premiums paid by an employer or deducted pre-tax through a Section 125 cafeteria plan, are not eligible for reimbursement.

## Coordination with HSAs and Medicare

**Health savings accounts (HSAs):** You can have an HRA and an HSA, and you can use either your HRA (if claims-eligible) or HSA to reimburse your qualified expenses (no ordering rules). But, if you have a claims-eligible HRA and want to become eligible to make or receive contributions to an HSA, you must elect "limited purpose" Electrical Workers' HRA plan coverage. Only certain dental, vision, and orthodontia expenses are covered while coverage is limited. You can switch your Electrical Workers' HRA account back to full coverage after you stop making or receiving HSA contributions (certain limitations may apply). Login to your account online at [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com) to learn more.

**Medicare:** Medicare is generally primary to your claims-eligible Electrical Workers' HRA account if you are retired or separated from the employer that made (or is making) contributions to your HRA account. If you are still working, your Electrical Workers' HRA is generally primary to Medicare unless you have elected limited purpose Electrical Workers' HRA Plan coverage. Go online to [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com) to learn more.

## Premium Tax Credit

If you purchase insurance through a marketplace exchange and want to qualify for the Premium Tax Credit, you should (1) read the **Facts About Premium Tax Credit Eligibility** handout available online at [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com) and (2) consider whether you will need to first use up, limit, or waive your Electrical Workers' HRA Plan benefits.

## Online Services

At [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com), you can:

- Access your account online
- View investment fund performance
- Print forms
- View plan information

Convenient online account access allows you to:

- Check your account balance and history
- Review and/or change your investment allocation
- Change your address

Log in instructions for online account access will be included in your welcome packet.

# Description of Plan Benefits & Investment Fund Information

## Account Statements

You will be sent a statement of your account activity twice a year, in January and July. E-statements are also available after logging into your account online.

## Plan Expenses

Expenses of operating the Electrical Workers' HRA are paid by a per account fee of \$2.00/month, plus an annual asset-based fee of approximately 1.25%. The annual fee is paid by a reduction to investment earnings or, if there are no earnings, charged as a deduction to participant accounts.

Plan operating and administrative expenses include claims processing, account administration, legal fees, consulting, printing, postage, auditing, etc.

## Survivor Benefits

If you pass away, remaining funds in your account may continue to be used by your surviving legal spouse and qualified children and dependent(s) to reimburse eligible healthcare expenses and premiums. If you have no surviving legal spouse or qualified dependent(s), the executor or administrator of the estate may file claims for eligible expenses. Thereafter, any funds remaining in your account will forfeit to the plan and be used to reduce operating expenses, thus benefitting the remaining participants. Funds may not go back to the employer.

## Third-party Administration (TPA) Service Provider

Rehn & Associates, located in Spokane, is the third-party administration (TPA) service provider. Founded in 1961, Rehn & Associates is an experienced employee benefits administrator whose staff specialize in HRA administration. The TPA service provider provides all correspondence, accounting, and benefit payment services. Please immediately notify the TPA service provider of any address, name, or automatic premium reimbursement changes.

## Participant Account Services

Contact the TPA service provider with questions about your account, eligible expenses and claims, automatic reimbursements, or to request forms.

### TPA Service Provider Contact Information:

Rehn & Associates  
P.O. Box 5433  
Spokane, WA 99205-0433  
1-800-VEBA101 (832-2101)  
(509) 534-0600  
Fax: (509) 535-7883  
E-mail: ewhra@rehnonline.com

### Plan Education/Consultant Contact Information:

Gallagher VEBA  
Arthur J. Gallagher & Co.  
906 West 2nd Avenue, Suite 400  
Spokane, WA 99201-4537  
1-800-888-VEBA (8322)  
(509) 838-5571  
Fax: (509) 838-5613

## Important Investment Guidelines

The following information is very helpful when making your investment selection. Please read and consider it carefully.

### Asset Allocation Strategy

Before making your investment decision, define your asset allocation strategy. An asset allocation strategy is choosing the right blend of asset classes for your financial situation. A proper asset allocation strategy can help reduce risk and increase potential return over time.

Determining what kind of investor you are will help you define your asset allocation strategy. In other words, are you most interested in growing your account or preserving your account? If you are most interested in growing your account, you must be willing to tolerate more risk and accept potentially large fluctuations in value. Preserving your account generally involves less risk and should result in smaller fluctuations in value.

### Time Horizon

Your time horizon is the number of years you have to invest, or the length of time until you think you will file claims. Investors with longer time horizons are often willing to tolerate more risk; investors with shorter time horizons tolerate less risk.

Time is very important when determining your asset allocation strategy. Investments may increase in value over time assisted by the power of compounding, and time can help smooth the ups and downs of the financial market. Your asset allocation strategy should depend heavily on how much time you have until you will begin filing claims.

# Description of Plan Benefits & Investment Fund Information

## Managing Risk

Risk is generally thought of as the possibility of losing money on investments. If your investments' value fluctuates significantly down and up, and you make a withdrawal for a qualified medical expense during a down market investment period, you may experience loss. You also need to consider inflation risk, the chance that your investments will not earn enough to keep pace with the rising cost of living, in this case, increasing health care costs. Consider the following general principles about risk:

- Reducing one type of risk generally requires you take on more of another
- The higher the risk, the higher the potential for reward and vice versa
- The shorter the time frame you have for investing, the more you should reduce investment risk

Asset classes come in three general types: stocks, bonds, and short-term investments (money market fund). Your overall investment strategy will help you determine what percentage you should allocate to each asset class.

You know the old saying, "Don't put all your eggs in one basket"? With investing, this is called diversification. It's the process of spreading your money among different asset classes. In addition, mutual funds are diversified and if you invest your money in a stock mutual fund, you will hold stock in many different companies. Even if a few companies perform poorly, their losses may be offset by stocks that perform well.

## Asset Allocation

Choosing the right combination of investments for your portfolio is called asset allocation. This is an important step that can help you reach your retirement goals. When you allocate your assets, you spread your savings out among money market, bond, and stock investments, but not in random amounts. Aggressive investors with long-term goals may prefer portfolios with more stocks, while more conservative investors are likely to use more money market and bonds. As you build your investment portfolio, consider your personal situation. Your decisions should be based on:

- When you will begin to file claims
- The amount of time you have to reach your goal
- Your own tolerance for risk
- Your other savings and investments

Over time, some of your investment fund selections may grow more quickly than others, some may even lose value, causing your portfolio to become out of alignment with your original allocation percentages. Rebalancing will occur automatically to maintain your allocation percentages.

Keep in mind that the use of asset allocation or diversification as part of an investment strategy does not

guarantee a profit or guarantee against a loss.

Funds are not FDIC insured, are not guaranteed by a bank, and may lose value. Even the most conservative investment fund option may lose value.

You can find more information and performance results on the quarterly **Investment Fund Overview** inside this kit or online at [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com).

Contributions received by the 25th of the month are held in a short-term investment fund (STIF) until the first business day of the following month, and then allocated per the participant's current investment fund allocation election on file with the TPA service provider. If no investment fund allocation election is on file, funds will be allocated to a default investment fund.

## Other Important Information

You may transfer among the investment funds monthly. Participants can make fund transfer requests online at [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com) or by submitting a completed and signed **Account Change Form** to the TPA service provider. Transfer requests received by the 25th of a given month will become effective on the first business day of the following month. If more than one transfer request is received during the month, only the most recent will be processed.

If your account is allocated among multiple investment funds, withdrawals (claims) will be made proportionately based on your current account balance in each fund, unless you request otherwise.

The Goldman Sachs Gov't Money Market Fund is the most conservative fund and is invested in high-quality, short-term money market instruments, including certificates of deposit, bankers acceptances, commercial paper, and other money market securities.

Should your investment objectives change, you should reevaluate your fund selection(s) and make appropriate changes. Remember, any investment that contains stock market investments entails the risk of loss.

We must stress that investment returns, particularly over shorter time horizons, are highly dependent on trends in various investment markets. Thus, investing in stocks and bonds is used primarily as a longer-term strategy and should not be used by participants who will begin filing claims immediately.

Fund management expenses vary from fund to fund. The fund manager expense for each investment fund can be found on the quarterly **Investment Fund Overview** inside this kit, online at [www.ewhra.rehnonline.com](http://www.ewhra.rehnonline.com), or by visiting each fund's respective website.

## Description of Plan Benefits & Investment Fund Information

### Investment Terms

**Bond:** A debt investment in which an investor loans money to an entity (corporate or government) that borrows the funds for a defined period at typically a fixed interest rate. Bonds may also have variable interest rates. The bondholder does not have ownership rights to the bond issuer unlike a stockholder. Generally, bonds are used to finance various projects and activities.

**Diversification:** Mixing a wide variety of investments within a portfolio.

**Mutual Fund:** Investment vehicle made up of a pool of money collected from different investors to invest in securities. Mutual funds are operated by money managers who invest the fund's capital and attempt to produce capital gains and income for the fund's investors.

**Principal Value:** The amount of the original investment

**Prospectus:** Document that provides details about an investment offering for sale to the public. Required by Securities Exchange Commission (SEC).

**Security:** An instrument representing ownership, a debt agreement, or the rights to ownership. Examples of a security are Treasury Bills, Commercial Paper, Certificates of Deposit (CDs), bonds, stocks, and derivative contracts.

**Stock:** A type of security that signifies ownership in a corporation and represents a claim on part of the corporation's assets and earnings.

**Time Horizon:** The length of time over which an investment is made or held before it is liquidated.

**Total Return:** The actual rate of return of an investment over a given evaluation period, includes interest, capital gains, dividends, and distributions.

**Volatility:** Statistical measure of dispersion of returns for a given security or market index.

Please carefully read this information along with the prospectus(es) for your selected fund(s) and consult with your personal financial advisor before making an investment decision. Prospectuses may be viewed, printed or ordered from each investment company online at the website addresses listed below. Your employer, bargaining representatives, Trustee(s), and the agents of each do not give investment advice.

## Investment Fund Options

Performance results can be found on the quarterly Investment Fund Overview.

Fund Name	Fund Objective
Goldman Sachs Gov't Money Market	Seeks maximum current income consistent with preserving capital and maintaining daily liquidity. <a href="http://www.gs.com">www.gs.com</a>
American Beacon Flexible Bond	Seeks to provide a positive total return regardless of market conditions. <a href="http://www.americanbeaconfunds.com">www.americanbeaconfunds.com</a>
Vanguard LifeStrategy Income	Seeks to provide capital appreciation and a low to moderate level of current income. <a href="http://www.vanguard.com">www.vanguard.com</a>
Vanguard LifeStrategy Conservative Growth	Seeks to provide current income and low to moderate capital appreciation. <a href="http://www.vanguard.com">www.vanguard.com</a>
Vanguard LifeStrategy Moderate Growth	Seeks to provide capital appreciation and a reasonable level of current income. <a href="http://www.vanguard.com">www.vanguard.com</a>
Vanguard LifeStrategy Growth	Seeks to provide capital appreciation and some current income. <a href="http://www.vanguard.com">www.vanguard.com</a>
Vanguard Total Stock Market Index	Seeks to track the performance of a benchmark index that measures the investment return of the overall stock market. <a href="http://www.vanguard.com">www.vanguard.com</a>
Vanguard FTSE All-World Ex-US Index	Seeks to track the performance of a benchmark index that measures the investment return of stocks of companies located in developed and emerging markets around the world. <a href="http://www.vanguard.com">www.vanguard.com</a>

Generally, investors will choose only one of the Vanguard LifeStrategy funds because each fund's asset allocation is already pre-mixed by Vanguard to meet the fund's objective.

# Enrollment Form

Fillable version at [ewhra.rehnonline.com](http://ewhra.rehnonline.com).



## SUBMIT COMPLETED FORM TO:

[ewhra@rehnonline.com](mailto:ewhra@rehnonline.com) | Fax: (509) 535-7883

Electrical Workers' HRA Third-party Administration (TPA) Service Provider, Rehn & Associates, PO Box 5433, Spokane, WA 99205

Please complete all items listed below. Missing information often results in enrollment delays, which could affect your ability to file claims and receive reimbursement of your qualified medical care expenses and insurance premiums.

- Fully complete participant, spouse and dependent information (federally required information; Section 1)
- Enter participant contact information (Section 2)
- Make your investment selection (Section 3)
- Sign-up for direct deposit (recommended; Section 4)
- Sign and date Hold Harmless Agreement (Section 5)
- Make a copy of your completed form for your records
- Return original to the TPA service provider

Your employer will send funds on your behalf to the Electrical Workers' HRA TPA service provider. Upon receipt of this form, the TPA service provider will send you a welcome packet confirming the deposit and include a Claim Form and a Summary Plan Description.

## 1 PARTICIPANT, LEGAL SPOUSE, DEPENDENT INFORMATION (REQUIRED)

Fully complete the below information, including Social Security number, for each covered individual. Federal law requires us to have on file the full name, SSN, gender, and date of birth of all covered individuals. Your legal spouse, qualified children, and dependents are eligible for coverage under this plan. List any additional dependents on an attached sheet of paper.

FIRST NAME	M.I.	LAST NAME	GENDER	DATE OF BIRTH MM / DD / YYYY	SOCIAL SECURITY NUMBER
PARTICIPANT			<input type="checkbox"/> Male <input type="checkbox"/> Female		
SPOUSE			<input type="checkbox"/> Male <input type="checkbox"/> Female		
CHILD / DEPENDENT 1			<input type="checkbox"/> Male <input type="checkbox"/> Female		
CHILD / DEPENDENT 2			<input type="checkbox"/> Male <input type="checkbox"/> Female		
CHILD / DEPENDENT 3			<input type="checkbox"/> Male <input type="checkbox"/> Female		

## 2 PARTICIPANT CONTACT INFORMATION

MAILING ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

AREA CODE and PHONE NUMBER \_\_\_\_\_ EMAIL ADDRESS (use home or personal email address) \_\_\_\_\_

## 3 INVESTMENT ALLOCATION SELECTION

Please indicate your desired investment fund allocation using whole numbers; no fractions. The total amount must equal 100%. Fund websites are listed on the Investment Fund Overview available at [ewhra.rehnonline.com](http://ewhra.rehnonline.com) or by contacting the TPA service provider.

Fund Name	Allocation %
Goldman Sachs Gov't Money Market <sup>(1)</sup>	_____ %
American Beacon Flexible Bond	_____ %
Vanguard LifeStrategy Income Fund (default investment)	_____ %
Vanguard LifeStrategy Conservative Growth	_____ %
Vanguard LifeStrategy Moderate Growth	_____ %
Vanguard LifeStrategy Growth	_____ %
Vanguard Total Stock Market Index	_____ %
Vanguard FTSE All-World Ex-US Index	_____ %
<b>No fractions, total must equal 100%</b> ▶	_____ %

<sup>(1)</sup> Change from Vanguard Prime Money Market to Goldman Sachs Gov't Money Market effective 9/1/16.

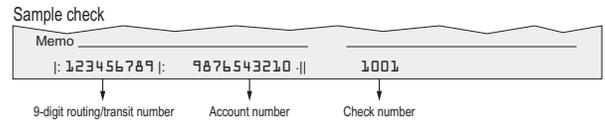
## 4 DIRECT DEPOSIT ENROLLMENT (RECOMMENDED)

Sign up for direct deposit! It's faster and more convenient than waiting for paper check reimbursements in the mail. Please provide all required information below. A voided check is not required.

Account type:  Checking  Savings

NAME OF FINANCIAL INSTITUTION (bank or credit union) \_\_\_\_\_

9-DIGIT ROUTING NUMBER (see sample check) \_\_\_\_\_ ACCOUNT NUMBER (do not include check number) \_\_\_\_\_



## 5 PARTICIPANT SIGNATURE AND HOLD HARMLESS AGREEMENT (REQUIRED)

I hereby become a Participant of the Electrical Workers' HRA Plan and certify that my legal spouse, children, and dependents listed on this form are qualified dependents as defined under the terms of the Plan. I understand that if I provide fraudulent information on this form, my employer may be notified and my Plan participation could be terminated. I realize that the parties involved in the Trust and any Plan in which I am a Participant (the "Plan"), including, but not limited to, the Plan, my employer, my bargaining representative, the Trustees, and the agents of each (collectively referred to as the "Plan and its agents") cannot guarantee any federal or state tax results or investment results. I acknowledge that any benefits to which I may become entitled are subject to the terms and conditions of the governing Plan documents and applicable law, and that the Plan and its agents may withhold from such benefits (and may transmit to the government) any tax, charge, penalty, assessment, or other amount, which is determined to be attributable to or allocable to such benefits or on account of the operations of the Plan and to hold the Plan and its agents harmless with respect to such actions taken in good faith. I have received, reviewed and understand the Plan and investment information provided in the Description of Plan Benefits and Investment Fund Information brochures.

"By my signature I adopt and agree to the above statements."

I authorize my spouse listed in Section 1 of this form to be an authorized contact who may discuss my account and account activity and submit certain account changes on my behalf. Claim Forms must be signed by me, the participant. Authorized contacts may be changed or revoked by me at any time.

**Sign Here** ▶

\_\_\_\_\_ X \_\_\_\_\_  
 PARTICIPANT SIGNATURE DATE mm / dd / yyyy PHONE NUMBER WHERE I CAN BE REACHED