



SUMMARY OF MATERIAL MODIFICATIONS

TO: All Participants in the Medical Expense Reimbursement Plan

FROM: Board of Trustees, Central Valley Retiree Medical Trust

RE: Changes to Plan: Proof of Payment of Covered Expense Required for Claim (Medical Expense Reimbursement Plan, Restated Effective 1/1/21)

DATE: December 15, 2020

This Summary of Material Modifications contains important information about your rights and benefits under the Medical Expense Reimbursement Plan (“Plan”) of the Central Valley Retiree Medical Trust (“Trust”). Please file it with your important documents.

The Board of Trustees recently adopted a restated Plan document. The following are highlights of changes made in the restatement:

Requirement to Provide Proof of Beneficiary’s Payment of Covered Expense for Claim Payment. Due to IRS requirements for Trust records, the Trust Office must collect proof that you have paid a Covered Expense in order to pay your claim. This Plan is a medical expense *reimbursement* plan. Therefore, the IRS requires that the Trust have documentation of your payment of the Covered Expense before we pay your claim for reimbursement. Without this documentation, the Trust could incur penalties from the IRS or jeopardize our tax exempt status. For Covered Expenses that you incur for payment of premiums or medical expenses on or after January 1, 2021, you must submit proof of payment of the Covered Expense to the Trust Office in order to receive reimbursement of your claim.

The following documents will satisfy the proof of payment requirement:

- Canceled check drawn to the name of the medical service, supplies, or insurance provider.
- Copy of confirmation of electronic payment to the medical service, supplies, or insurance provider (including pension statement or paystub showing deduction for premiums).
- Receipt for payment from the medical service, supplies, or insurance provider

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

NOTE: This Summary of Material Modifications, as required by the Employee Retirement Income Security Act of 1974, as amended (ERISA), is designed to explain recent changes made to the Medical Expense Reimbursement Plan. However, it does not provide all the details and limitations of the Plan. Exact specifications are provided in the “Medical Expense Reimbursement Plan of the Central Valley Retiree Medical Trust,” effective January 1, 2021, and as amended thereafter, which will prevail in case of conflict with this Notice.