



# Santa Monica City Employees Coalition Benefit Trust

**SMCECBT**

TO: All Participants in the Medical Expense Reimbursement Plan  
of the Santa Monica City Employees Coalition Benefit Trust

FROM: Board of Trustees, Santa Monica City Employees Coalition Benefit Trust

RE: Missing Address Information; Costs to Locate Beneficiary; Requirement  
to Exhaust Internal Appeal Procedures; Recoupment of Overpaid Benefits  
(Plan Amendment No. 7)

DATE: February 20, 2020

This letter contains important information about your rights and benefits under the Premium Reimbursement Plan for Retirees (“Plan”) of the Santa Monica City Employees Coalition Benefit Trust (“Trust”). Please file it with your important documents.

The Board of Trustees recently adopted Amendment No. 7 to the Plan. This Notice describes the highlights of the Amendment; for the full details of the Plan Amendment, please request a copy of the Plan Amendment from the Trust Office or review the Plan Amendment posted on the Trust website at <http://www.smcecbt.org>.

- Employee/Beneficiary Duty to Update Contact Information. The Trust needs to be able to locate Employees and Beneficiaries of the Plan at all times, in order to send out information about the Plan, as well as to make benefit payments when due. To that end, the Amendment sets forth the responsibility of all Employees and Beneficiaries to update the Trust Office with change of address and other contact and Beneficiary information. If you do not update the Trust Office when your home address, email address or phone number changes, you may experience a delay or loss of benefits, or not find out about important changes to the Plan.
- Charge to Beneficiary for Costs of Address Search. The Trustees may charge a reasonable fee by deduction from your monthly benefits in order to recoup the costs to the Trust of finding missing participants. Pursuant to Plan Amendment No. 7, the Trustees have developed a Missing Participant Policy, which you can receive upon request to the Trust Office.
- Appeal Procedures before Court Action. The Amendment also makes minor language changes to the Trust’s requirement that you exhaust administrative procedures, including the internal appeal process, before bringing an action against the Trust in court.

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- Recoupment of Overpaid Benefits. The Trustees adopted Amendment No. 7 to clarify the current practice, and legal right, of the Trust to recoup overpayment of benefits from Beneficiaries. Overpayments occur occasionally for various reasons. For example, the Beneficiary's premiums change mid-year and the Beneficiary does not give timely notice; or there was late notice of death of a Beneficiary.<sup>1</sup> The Trust has the right to recoup these overpayments back from the Beneficiary who was overpaid, in order to preserve the financial assets of the Trust for benefits to other Beneficiaries.

If you have any questions about the Plan Amendment or would like a copy of the Summary Plan Description or full Plan, please call the Trust Office, Phone: 1-800-828-0223.

*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 Plan, but it does not provide all the details and limitations of the Plan. Exact specifications are provided in the "Premium Reimbursement Plan for Retirees of the Santa Monica City Employees Coalition Benefit Trust, restated effective February 1, 2018" (Dr. 6/22/17), and as amended thereafter, which will prevail in case of conflict with this Notice. Please keep this Notice with your Summary Plan Description, as an update to that document.*

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<sup>1</sup> These are only examples; there could be other reasons for an overpayment.