Dear Retiree:

We are one of the administrators of the Coalition of Detroit Public Safety Unions Trust (CDPSU). TIC International Corporation is the other administrator.

The City of Detroit Pension Department recently notified us of your retirement from Detroit Police Department (DPLSA).

The CDPSU is a retiree Health Reimbursement Arrangement (HRA) that was negotiated to reimburse eligible City Police and Fire Fighter retirees for covered certain out-of-pocket medical care expenses on a non-taxable basis.

Included in this enrollment packet are the following materials:

- CDPSU Q & A – This Q & A explains the CDPSU's eligibility rules, its administration, contribution levels, enrollment process, and how medical care expenses are reimbursed;
- An Enrollment Form;
- An Authorization to Release HIPAA Medical Information Form (page 2 of Enrollment app); and
- A Reimbursement Claim Form.

To enroll and participate in the CDPSU you ***must***:

- Retire ***after January 1, 2015*** while covered under a collective bargaining agreement between the City and one of the Public Safety Unions, *i.e.*, that is, DPOA, DFFA, DPLSA, DPCOA; **and**
- Complete the Enrollment Form and send it to Automated Benefit Services (ABS) at:

Substantiation Department – CDPSUT
ABS
800 Tower Drive, Suite 300
Troy, Michigan 48098

Enrollment form submission or questions: CDPSUTenrollment@abs-tpa.com
Claims submissions: FSAClaims@abs-tpa.com
Or fax 586-693-4321

If you fail to submit a completed Enrollment Form, you can't participate in the CDPSU.

If you have any questions, please call 800-645-9978.

Sincerely,

Automated Benefit Services

Re: Coalition of Detroit Public Safety Unions Trust
Post-January 1, 2015 Retirees Health Reimbursement Arrangement (HRA)

Dear Participant:

This Q&A includes information about the successor HRA previously sponsored by the Coalition of Public Safety Employees' Health Care Trust (COPS) *for post-January 1, 2015* public safety retirees.

The successor is the Coalition of Detroit Public Safety Unions Trust (CDPSU).

Among other things, this Q & A explains the monthly HRA stipend that will be paid upon your retirement. It also addresses the implications of this HRA if you're already purchasing health insurance on a public health care exchange ***and*** receiving federal tax credits or subsidies.

What is the CDPSU HRA?

The CDPSU HRA Plan (the "Plan") is designed to permit eligible retired City of Detroit Police and Fire Fighter Employees to obtain reimbursement of covered out-of-pocket medical care expenses on a non-taxable basis.

Background -- HRA Creation

As a result of collective bargaining, the CDPSU now receives contributions from the City of Detroit (City) to finance an HRA for *post-January 1, 2015* public safety retirees, which were previously directed to the COPS Trust.

Eligible participants include City public safety employees who retire after January 1, 2015 while covered under collective bargaining agreements (CBAs) between the City and the following, collectively referred to as the Unions:

- Detroit Police Officers Association (DPOA);
- Detroit Fire Fighters Association (DFFA);
- Detroit Police Lieutenants and Sergeants Association (DPLSA); and
- Detroit Police Command Officers Association (DPCOA).

How does it benefit me?

Medical Care Expenses reimbursed under the Plan are intended to be eligible for exclusion from your gross income. Eligible retirees (and their surviving spouses and dependents) generally can "spend-down" their HRA allocations on eligible Medical/Dental/Prescription insurance premium expenses until their allocations are exhausted.

Who oversees the Plan?

The CDSPU Board of Trustees (Board) oversees the Plan. The Trustees are officers appointed by your public safety unions.

The Trustees Plan Administrator is TIC International Corporation, 6525 Centurion Drive, Lansing, Michigan 48917-9275; Telephone: (517) 321-7502; Fax: (517) 321-7508.

The Trustees have delegated the administration of the reimbursement of claims to Automated Benefit Services (ABS). ABS has been providing these services -- under COPS-- since the inception of the HRA program.

Who pays for these benefits?

The amount the City contributes to the CDPSU for HRA purposes is determined by the terms of each Union's CBA with the City. The City's CBA-required contribution amounts are *not* the same for each Union.

How much does the City pay into my account balance each month?

The current monthly HRA stipend amount for each Union is as follows:

DPOA	$	80.00
DFFA *	$	175.00
DPLSA	$	80.00
DPCOA	$	65.00

*Please Note: If you're a catastrophically duty-disabled DFFA retiree, you are eligible to receive this HRA stipend. Or, you may elect to participate in the City's HAP HMO. This is an either/or option. You cannot receive both the HRA and the HAP HMO benefit.

Why are these monthly HRA stipend amounts different?

The monthly HRA stipend amount is based primarily on your Union CBA. As explained below, actuarial factors -- and to a lesser extent, expenses -- also influence this monthly stipend amount.

Each Union, through its membership, made its own decision on the wages and benefits of its CBA, including the health care benefits for post-January 1, 2015 retirees. These individual, Union-made wage/benefit decisions largely determine the monthly HRA stipend amount.

How are the stipend amounts determined?

The COPS Board of Trustees (COPS Board) set the monthly HRA stipend amounts. The COPS Board hired an actuary to help them prudently determine the monthly stipend HRA amounts.

Among other things, the COPS Board considered the amount of the City's CBA-required contributions for each Union, actuarial considerations (e.g., age and population), and administrative expenses in arriving at these monthly HRA stipend amounts.

For now, the CDPSU Board will continue to provide the same monthly stipend amounts.

Can I receive a retroactive HRA stipend payment?

You'll be paid any retroactive HRA stipend amounts that you're owed. (Depending on when you retire *after* January 1, 2015, you may not be owed any retroactive payments).

When am I First Eligible?

To be eligible for HRA benefits, you must have retired from the City *after* January 1, 2015 and not be Medicare eligible.

You are first eligible on the first day of the month after the eligibility requirements have been satisfied, provided that any required enrollment forms have been submitted to the Plan Administrator. Once enrolled, your participation will continue from month-to month until you cease participating.

When do I cease participating?

You will cease to be eligible to participate in this Plan under different circumstances, such as voluntarily opting out or exhausting your account balance, as well as when you turn *age 65 or otherwise become eligible for Medicare*.

What if I die before I can use my account balance?

So long as you don't die before retirement, your spouse may continue to be entitled to reimbursements for permitted Medical Care Expenses until he or she stops being eligible.

Dependents of the deceased Participant may continue participation until they no longer meet the definition of "Dependent" or the HRA account balance reaches zero.

Do I lose my balance when I become eligible for Medicare?

Yes. However, you may continue to submit claims for reimbursement for three years after you cease participating, for expenses incurred while you were eligible. An expense is incurred at the time the medical care is furnished, and not when you are formally billed for the medical care.

If your HRA account balance does not reach zero within the three years, your remaining balance will be forfeited.

Are there any other circumstances when my balance is forfeited?

Yes. Other circumstances can include:

- Death;
- Opt-out;
- Board of Trustee modification; or
- Return to City employment.

Are HRA benefits guaranteed?

This HRA monthly stipend is not a guaranteed benefit. Nor is the current amount of the stipend guaranteed.

The CDPSU's duty to pay you a monthly HRA stipend, and the amount of that stipend, depends on a few things, including the City's timely and proper payments to the CDPSU of the City's CBA-required contributions.

To be even more specific and emphatic:

1. ***You have no vested rights in any HRA benefits or the amount of any HRA benefit under CDPSU; and***

2. ***CDPSU has the discretionary right to change, reduce, or even eliminate this HRA benefit -- at any time and for any reason, including if the City fails to timely pay its CBA-required contributions for HRA purposes.***

Moreover, this HRA is a result of the Unions' CBAs with the City: the CDPSU assumes that the Unions and the City will, when the time comes, negotiate new CBAs that will again fund this HRA. But, the CDPSU cannot guarantee that possibility. So, these HRAs are not guaranteed benefits.

What expenses get reimbursed and how much?

The Plan will reimburse you for Medical Care Expenses up to the unused amount in your account. You cannot simply collect and spend your HRA monthly stipend on anything you want.

Instead, your HRA stipend reimburses you and your dependents for Medical Care Expenses which are specially defined under the Internal Revenue Code because of their favorable tax treatment.

How do I get reimbursed?

Requests for premium reimbursement must be submitted to the ABS at least every six months and in all events within one year of the date that the claim was incurred.

How do I verify my reimbursable expenses?

If you seek reimbursement for insurance premiums that you paid with after-tax dollars, you must verify this twice a year for the CDPSU. See the following website for information on this verification process: www.CDPSUTrust.com.

If you seek reimbursement for "eligible health care expenses" other than reimbursable insurance premiums (e.g., co-pays), the verification process is different. Again, see the website listed above for information on this verification process.

What if my claim is turned down?

You can appeal from any denial and have 180 days after receiving such a denial; more details of this process are in your Summary Plan Description.

What can't be reimbursed?

Effective January 1, 2020, all items that constitute "medical expenses" as defined under the Internal Revenue Code shall be reimbursable.

How can you spend your HRA stipend?

In general, reimbursable medical care expenses include, but are not limited to premiums, hospitalization, doctors and dentist bills and prescription drugs. This also includes the amounts you pay for deductibles, co-pays, co-insurance and COBRA continuation coverage.

Only post-tax dollar premiums are reimbursable through your HRA stipend.

How does the HRA work with Public Health Care Exchanges and Subsidies?

If you're currently purchasing health insurance on a public health care exchange and receiving federal tax credits, this HRA stipend may disqualify you from receiving these federal tax credits.

If you wish to preserve your eligibility for federal tax credits, you can opt-out of participation in this HRA. Once you opt-out, you can continue to purchase health insurance on a public health care exchange and still receive federal tax credits, provided you otherwise qualify for the tax credits. If you opt-out, you will not receive a HRA monthly stipend.

If you don't opt-out, you'll participate in this HRA program and you'll likely lose your eligibility for federal tax credits on your exchange-purchased health insurance.

How can I opt-out?

You may opt-out at any time by providing written notification of your opt-out decision to ABS as follows:

ABS
Attn: CDSPU Trust Retiree HRA – Opt Out
800 Tower Drive, Suite 300
Troy, MI 48098

You cannot opt-out verbally. Your opt-out selection must be in writing.

How do I apply for my HRA benefits?

To apply for HRA benefits, you must do the following:

1. Provide ABS with proof of retirement from a DPOA, DPLSA, DPCOA OR DFFA bargaining unit (ABS will also secure verification of your retirement from a DPOA, DPLSA, DPCOA OR DFFA bargaining unit).

2. You must submit to ABS a Substantiation Form, which provides proof of current medical coverage and documentation of premium payments made by you for medical coverage.

You should submit these forms and documentation to ABS as

follows: Fax: (586) 693-4321

Email: FSAClaims@abs-tpa.com

Mail: ABS Substantiation Department
800 Tower Drive, Suite 300
Troy, MI 48098

Sincerely,

CDPSU Board of Trustees

COALITION OF DETROIT PUBLIC SAFETY UNIONS TRUST (CDPSU)
ENROLLMENT FORM

Retiree Information

First Name Middle _____ Last Name

Address City State Zip

Date of Birth Social Security Number

Phone Number Email Address

Status ☐ Single ☐ Married ☐ Widowed

Union Affiliation Before Retirement ☐ DPOA ☐ DFFA ☐ DPLSA ☐ DPCOA

Retirement Date

Dependent Information

Please complete the following section for your spouse and each dependent.

First Name	Middle	Last Name	Relationship	Date of Birth	Sex	Social Security No.

Waiver of Coverage

Complete this section **only** if you choose to waive coverage. By choosing to waive coverage, you and your spouse/dependent(s) will be ineligible to enroll for one (1) year from the date you complete this form.

☐ I, _____, elect to waive coverage. I understand this election causes me, my spouse/dependent(s) to be ineligible to enroll in coverage for one (1) year from the date I complete this form.

Other Insurance Coverage

Please complete this section if you or your spouse/dependent(s) have another form of health insurance. Are you or your spouse/dependent(s) enrolled in any of the following:

☐ Health Reimbursement Arrangement	☐ You ☐ Spouse ☐ Dependent
☐ Flexible Spending Account	☐ You ☐ Spouse ☐ Dependent
☐ Health Savings Account	☐ You ☐ Spouse ☐ Dependent
☐ Medical and/or Prescription Drug Coverage	☐ You ☐ Spouse ☐ Dependent
☐ Medicare	☐ You ☐ Spouse ☐ Dependent

For each item selected above, please complete the following information (attach an additional sheet if necessary):

Insurance Company (if applicable)

Policy number (if applicable)

Is coverage employer sponsored ☐ Yes ☐ No

If yes, please provide the name of the employer

_____ _____

Signature Date

Authorization to Release HIPAA Medical Information -- This section must be completed.

I am applying to the CDPSU, which is administered through ABS and TIC, for HRA benefits. I declare: (1) all statements in this form are true to the best of my knowledge; and (2) I have not withheld or omitted any material information. I agree that ABS is not bound by any statement made by or to any agent unless written in this form. I understand any fraud or intentional misstatement about medical history or claims will result in: denial of a valid claim and loss of my HRA benefits. I certify that I have read the entire completed form.

I authorize the Authorized Disclosers to give CDPSU or its administrators; any information about me or my dependents as to: (1) diagnosis, treatment and prognosis of any physical or mental condition; (2) drug or alcohol abuse; HIV/AIDS test results, or diagnosis and/or treatment; and (3) non-medical information.
Authorized Disclosers: physicians; medical practitioners; hospitals; clinics; veterans administration facilities; other medical or medically related facilities; pharmacy benefit managers; insurers; reinsurers.

My protected health information (PHI) is: (1) individually identifiable health information, including demographic information; and (2) collected from me or created or received by a health care provider, a health plan, my employer, or a health care clearinghouse. This information must relate to: (i) my past, present, or future physical or mental health or condition; (ii) the provision of health care to me; or (iii) the past, present, or future payment for the provision of health care to me.

I can revoke this authorization at any time. I must send a written revocation to ABS at 800 Tower Drive, Suite 300, Troy, MI 48098. The revocation is effective only for future uses and disclosures of PHI. The revocation is not effective: (i) for information the CDPSU or its administrators already used or disclosed relying on this authorization; or (ii) if the authorization is a condition of eligibility for my HRA benefits.

CDPSU and its administrators ABS and TIC will not release my information except: to reinsurers or other persons or organizations performing business or legal services in connection with my application for insurance; for any claims; or as may be lawfully required; or as I may further authorize. Information that CDPSU and its administrators re-discloses for these purposes may not be protected by federal privacy laws.

I may request a copy of this authorization at any time. This authorization is valid for 30 months from the date I sign it.

Employee Signature _____ Date_____

Spouse Signature_____ Date_____
(*Required if spouse is enrolling for coverage*)

Dependent Signature_____ Date_____
(*Required if dependent age 18 or older is enrolling for coverage*)

Dependent Signature_____ Date_____
(*Required if dependent age 18 or older is enrolling for coverage*)

Dependent Signature_____ Date_____
(*Required if dependent age 18 or older is enrolling for coverage*)

Fraud Warning: Any person who, with the intent to defraud or knowingly facilitates a fraud against an insurer, submits an application or files a claim contaning a false or deceptive statement, or conceals information for the purpose of misleading may be guilty of insurance fraud and subject to criminal and/or civil penalties.

COALITION OF DETROIT PUBLIC SAFETY UNIONS TRUST (CDPSU)
HEALTH REIMBURSEMENT ARRANGEMENT (HRA) CLAIM FORM

Instructions

- Complete Sections 1, 2, and 3 of this claim form.
- All documentation supporting your claim(s) shall be included with the claim form, but ***not*** stapled or taped to it.
- Proper claim(s) documentation shall include: **date of service, type of service, and cost**. (No cancelled checks, balance forwards, or bankcard receipts).
- Itemize all expenses to prevent delays in reimbursement.
- If your medical care expense is partially covered by your insurance, you must submit a copy of your Explanation of Benefits (EOB) Statement.
- You may submit your claim for and claims by mail at: Substantiation Department, Automated Benefit Services (ABS), 800 Tower Drive, Suite 300, Troy, Michigan 48098; ***or*** by email at FSAClaims@abs-tpa.com ***or*** by fax at 586-693-4321.

Section 1 - Information

First Name _____ Middle _____ Last Name _____

Address _____ City _____ State _____ Zip _____

Phone Number _____ Email Address _____

Social Security No. _____ Union _____

Section 2 -- Claimed Expenses

Service Date(s)	Type of Expense	Name of Provider/Store	For Whom	Net Cost
			Total Request	$

Section 3 - Signature

To the best of my knowledge and belief, my statements on this claim form are complete and true. I understand that I am solely responsible for the validity of claims submitted to this Plan. I am claiming reimbursement only for eligible expenses incurred by me, my spouse, and/or my dependents. I certify that these expenses have not been reimbursed under this Plan or by any other source and it will not be reimbursed by any other source or insurance. I authorize my HRA to be reduced by the amount(s) shown above.

Participant Signature _____ Date _____