



North Atlantic States  
CARPENTERS BENEFIT FUNDS

# GREAT BENEFITS FOR LIFE

HRA Transition to Hours-Based Health  
Plan for Local Unions 276, 277, 291,  
and 1163

April 1, 2025

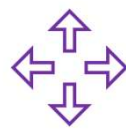


# Our Guiding Principles



## **Our funds are stable.**

We want to make sure that the benefits you have earned and worked hard for are there for you when you need them, whether that's next week, next year or the next decade. We're in this for the long haul and will manage plan finances and operations accordingly. We want members to have a solid foundation that can support their health and financial security needs.



## **Our funds will be responsive.**

Our Funds are strong because we constantly evaluate them and make changes when needed. We will be proactive and address potential problems before they become real ones.



## **Our funds will be fair.**

We will do our best to keep benefits equitable for all participants.



## **Our funds will remain competitive.**

We want to make sure that the costs of our plans are manageable. We will manage plan finances so that they serve member needs without pricing them out of the market. We want to be able to grow without putting undue pressure on members or participating employers.

# Benefits Overview

## Why are we making these changes?

- We're providing the same medical benefits to all our participants active and retired.
- We're providing the same approach to qualify for health coverage to all our participants.
- We're protecting our members and the Funds. We want to make sure the Funds can continue to provide comprehensive benefits.
- We're focusing on sustainability. Certain subsidized benefits are not sustainable in today's economy.
- We're looking to the future. We need to make changes now so that our active and future members can enjoy solid benefits.



**We are investing in the future to ensure the Funds can support your health and financial security needs for years to come.**

# Upcoming Changes

Continued efforts to align health benefits across the North Atlantic States Carpenters:



Transitioning participants with HRA accounts to an Hours-Based Plan. All participants under the North Atlantic States Carpenters will be utilizing an Hours Based plan to determine health eligibility.



Providing a Supplemental HRA account to pay for out-of-pocket eligible medical expenses and participants will continue to use their existing account.

# Transition

Effective April 1, 2025, Participants will transition to an hours-based plan.

## How will the transition happen?

- Hours worked beginning August 1, 2024 will be applied towards the hours-based requirements for health eligibility on April 1, 2025.
- On July 1, 2024 the Fund will set aside an amount equal to your monthly premiums for the period August 1, 2024 through March 31, 2025.
- Participants will continue to pay monthly premiums from their HRA accounts through March 31, 2025.

July 1, 2024 the Fund will set aside from your HRA account an amount equal to your monthly premiums for the period August 1, 2024 through March 31, 2025.

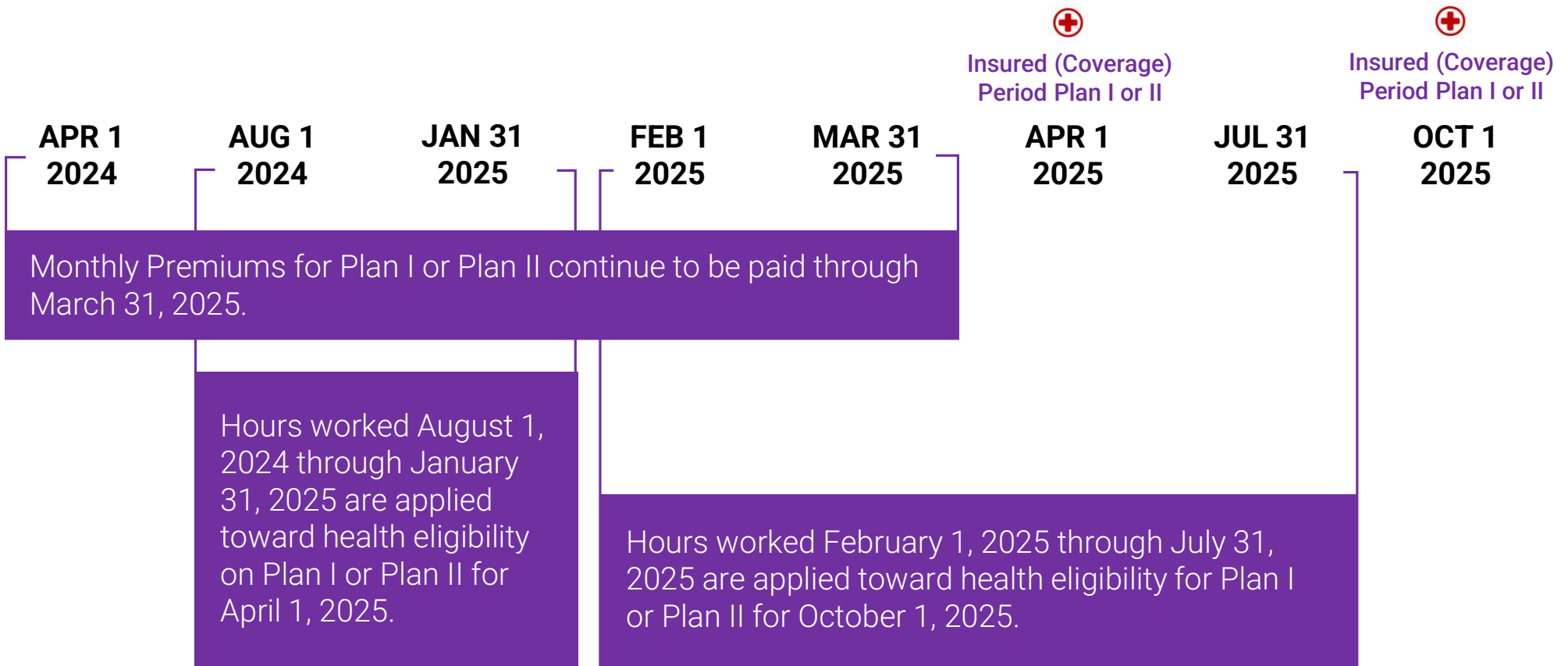
## Plan I

$\$1,071.00 \times 8 \text{ months} = \mathbf{\$8,568.00}$

## Plan II

$\$1,030.00 \times 8 \text{ months} = \mathbf{\$8,240.00}$

# Transition Timeline



# What is a Work Period and an Insured Period?

The hours you work during the work period are used to determine whether you are eligible for coverage during the six-month insured (coverage) period.

**For example:** The hours you work during August 1 through January 31 will be used to determine your health eligibility for the April 1, Insured Period.



## **Work Period**

**New:** February 1 – July 31

**New:** August 1 – January 31

## **Insured (Coverage) Period**

**New:** October 1 – March 31

**New:** April 1 – September 30

# The Hours Requirements for Health Eligibility

This formula ensures that all participants contribute approximately the same amount for six months of health insurance. The hourly contribution rate is multiplied by the number of hours. **The hourly contribution rate is \$8.50.** Supplemental HRA hourly contribution rate based on your Local Union's Collective Bargaining Agreement.

Hourly contribution rate x (hours) = **eligibility**



Locals	Plan I	Plan II	12-Month Lookback
276, 277, 291, 1163	<b>New:</b> 710 hours	<b>New:</b> 530 hours	<b>New:</b> 1,470 hours



# Additional Benefits

## 12-Month Lookback

If you do not work enough hours during a work period to be eligible for Plan I, the Fund will combine the hours worked in the current and previous work periods, plus 50 hours. If you have sufficient hours between the two periods you would be eligible for Plan I.

## Buying Coverage if You're Short of Hours

You will be able to purchase up to 50 hours through a short hour buy-in. The number of times you can purchase short hours is unlimited.

## Worked Hours Credit

If you were unable to achieve health eligibility, any worked hours will be applied to reduce the cost of COBRA or the Retire Health Plan.

## New Participants

A new participant is defined as having **zero** hours worked or coverage under Plan I, Plan II, or COBRA for two years. New coverage will begin the first of the following month in which the contributions for the hours required for Plan II are received by the Fund Office.

## Disability Time Loss Benefits

A benefit amount has been added of \$330 per week to supplement New York State Disability for up to 26 weeks. ***You must have health coverage at the time of disability.***

Eligible participants will be credited with up to 40 hours per week for a maximum of 26 weeks for their period of disability/Illness or Paid Family Medical Leave. Crediting these hours allows participants the ability to earn health coverage for a future Insured Period.

# Additional Benefits



## Disability Health Coverage Extension

If a participant has health coverage and becomes injured or ill and as a result of that disability could not work enough hours during a Work Period to achieve health coverage for a future Insured Period, a participant can apply for a Disability Extension which extends health coverage for the next Insured Period based on the health plan you currently have.

**There is a maximum of two Disability Extensions over your career which can be used consecutively or on separate occasions.**

## Aggregation of Hours

Legally married couples can aggregate their hours to secure health eligibility, if they were unable to achieve eligibility individually.

## Benefits for a Surviving Spouse and Eligible Dependents

If a participant dies during an Insured Period, your surviving spouse and dependents will be eligible for (36) months of health coverage at no cost, based on the coverage you had at the time of death. However, once thirty-six months have expired, surviving spouses and dependent children are able to use the HRA accounts until depleted.

## Example:

If a participant passed away on October 14, 2024 while on Plan I benefits, their surviving spouse and eligible dependents would run out the remaining active Plan I coverage through March 31, 2025.

Effective April 1, 2025, they would receive Plan I benefits at no cost through March 31, 2028. Thereafter, if a participant has an HRA balance, the account can be used to purchase health coverage until the account is exhausted.

# Retiree Health Coverage (pre-Medicare)

After further review and discussions, the Board of Trustees revised the calculation of the Retiree Health Plan (Plan III), by providing a subsidized benefit for thirty-six months if you meet one of the following criteria.

## If a Participant works ...

- 50,000 or more hours in their career their premium will receive the highest subsidy available which is 25%.
- Between 25,000 and 49,999 hours the premium will receive a subsidy of 10%.
- Under 25,000 hours the premium will not receive a subsidy, the Participant will pay the full cost of the Retiree Health (Plan III) coverage.

If you do not meet either of the hours requirements, you can still purchase the Retiree Health Plan but with no subsidy.

## PLAN III Premiums

- Unsubsidized Premium: **\$1520.44**
- 25% subsidy: **\$1140.33**
- 10% subsidy: **\$1368.40**

**Note:** these rates are effective 4/1/24 -3/31/25, and are evaluated annually and subject to change at the discretion of the BOT.

# Retiree Health Coverage (pre-Medicare)

## Plan III Health Coverage

### Availability post subsidy

After the thirty-six month subsidized health coverage is exhausted, Non-Medicare retirees and their eligible dependents will be able to remain on the Retiree Health Plan (Plan III) coverage by paying the full cost of Plan until their HRA account is exhausted. Once a Non-Medicare retiree's HRA is exhausted the pensioner will be able to continue to have the Retiree Health Plan (Plan III) premium deducted from their pension, when possible, for up to an additional thirty-six months or age 65 whichever occurs first.



# Wage Replacement Accounts, (WRAs) Important Dates



## August 1, 2024

Effective August 1, 2024, contributions from hours worked will no longer be added to the WRA accounts.

## December 31, 2026

Participants can continue to utilize their WRA accounts until December 31, 2026, at which time any remaining funds will be transferred to their HRA accounts.

# Frequently Asked Questions



**What happens if I have opted out of health coverage, and I have a qualifying event?**

You will transition to the Hours based plan. You would elect either **Plan I** or **Plan II** and make the monthly premiums until you have accumulated enough hours during a Work Period for the next Insured Period.

**What happens if I do not have enough in my HRA account to cover the cost of the monthly premiums through March 31, 2025?**

If you do not have enough to cover the cost of health coverage, the Fund will ensure that you will be provided health coverage through **March 31, 2025**, based on the plan you elected.

**Are my medical benefits changing and do I need updated medical cards?**

Your medical benefits are not changing, and you will not need new cards. The change is how you achieve health eligibility through hours worked, not by paying a monthly premium



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