



North Atlantic States Carpenters
Health Benefits Fund

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November 2023

SUMMARY OF MATERIAL MODIFICATIONS

Dear Participant:

On behalf of the North Atlantic States Carpenters Health Benefits Fund, as a New England participant, you are receiving this notice to inform you of important upcoming changes to your Health Fund benefits.

ELIGIBILITY HOURS REQUIREMENT CHANGES

Effective with the Work Period beginning February 1, 2024, the hours requirement for health eligibility has changed for the Insured Period beginning October 1, 2024 as follows:

	PLAN I	PLAN II	12-MONTH LOOK BACK
Massachusetts Carpenters, Piledrivers, Floor coverers, Connecticut, Rhode Island, Millwrights (MA/RI/CT/NNE)	Current: 600Hours No change**	Current: 450 Hours No change**	Current: 1,250 Hours No change
Western Massachusetts	Current: 685 Hours New: 720 Hours	Current: 510 Hours New: 540 Hours	Current: 1,420 Hours *10/1/24: 1,455 Thereafter: 1,490 Hours
Northern New England Carpenters	Current: 685 Hours New 740 Hours	Current: 510 Hours New: 550 Hours	Current: 1,420 Hours *10/1/24: 1,475 Thereafter: 1,530 Hours
Residential – Local 723	Current: 685 Hours New: 760 Hours	Current: 410 Hours New: 570 Hours	Current: 1,420 hours *10/1/24: 1,495 Hours Thereafter: 1,570 Hours

* **Transition Period** – hours for Insured period starting October 1, 2024, plus hours for Insured period starting April 1, 2024, plus 50 hours.

** In addition, the hours requirement of 600 hours was based on a health contribution rate of \$9.83, if your current health contribution rate is less, you may need to work more hours to achieve health coverage for Plan I or Plan II.

MAINTAINING ACTIVE HEALTH COVERAGE

A previous Summary Material Modification in June 2023 advised you on new rules regarding maintaining active health coverage whereas Participants who do not work for a contributing employer or who are not available to work for four (4) consecutive months will not be eligible for coverage and will have their coverage under the Plan suspended. Current exceptions to this rule have been updated. All exceptions include if you are retired, disabled, on Family Medical Leave including Paid Family Medical Leave, if you are on Worker’s Compensation, serving in the Military, or working for a contributing employer in a non-covered position. Lastly, if a Participant dies while in suspended status, Life Insurance benefits and any other death benefits the participant may have been eligible for will be provided to the Participant’s surviving spouse/dependents and designated beneficiary, according to Plan rules, as if the participant was not in suspended status.

NEW PARTICIPANTS

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Effective April 1, 2024, a new participant is defined as having no hours worked and no coverage under Plan I, Plan II or COBRA for two consecutive years. The Board of Trustees recently adopted new rules which will allow New Participants the ability to have health coverage sooner and no longer have to wait until the next Insured Period. As a New Participant, once you have worked enough hours for Plan II, your health coverage will begin the following month from receipt of the hours needed.

APPRENTICE TRAINING HOURS

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Effective April 1, 2024, if you are an apprentice attending school at the Apprentice Training Center and do not work enough hours during a work period, the Plan will grant coverage if you are short 40 hours or less for one week of school or 80 hours or less for two weeks of school. **The rules have been modified to allow Apprentice Training Center hours to be applied toward Short Hour Buy-In, COBRA, or the 12-Month Lookback rule where previously these hours were not available.**

WORKER'S COMPENSATION

Beginning on April 1, 2024, participants who are receiving Worker's Compensation as a result of a work-related injury while working for a contributing employer, will be eligible to be credited with up to 40 hours per week for a maximum of 26 weeks. Crediting these disability hours will allow participants the ability to achieve health coverage for future Insured Periods for which they may not have been eligible had the disability hours not been credited. These disability hours will be treated as if they were actual hours worked and will be applied towards the 12-Month Lookback and Short Hour Buy-in provisions of the Plan.

Participants who have the Shop Health Monthly Premium will also be granted coverage on a month-to-month basis up to a maximum of 26 weeks, provided the employer was not obligated to pay the monthly premium in accordance with their Collective Bargaining Agreement or Participation Agreement.

Participants have up until 30 days after the start of the next Insured Period to apply for the hours credited due to Worker's Compensation.

To be eligible you must provide the Fund with a copy of your Worker's Compensation documents substantiating your benefits.

MEDICAL PLAN CHANGE

Effective April 1, 2024:

The Board of Trustees adopted the following copay changes for your medical program:

	Office visit Copay	Specialist Copay
Plan I	Current: \$15 No Change	Current: \$15 New \$30
Plan II	Current: \$15 New: \$20	Current: \$15 New: \$40

PRESCRIPTION DRUG CHANGES

Effective April 1, 2024:

The Board of Trustees adopted the following changes for your Prescription Drug Program:

CURRENT PLAN		
Non-Specialty		
Type	Retail	Home Delivery
GENERIC	30% \$10 Min \$20 Max	30% \$25 Min \$50 Max
FORMULARY	30% \$25 Min \$50 Max	30% \$63 Min \$125 Max
NON-FORMULARY	30% \$40 Min \$80 Max	30% \$100 Min \$200 Max

NEW PLAN		
Non-Specialty		
Type	Retail	Home Delivery
GENERIC	\$8 copay	\$16 copay
FORMULARY NO CHANGE	30% \$25 Min \$50 Max	30% \$63 Min \$125 Max
NON-FORMULARY NO CHANGE	30% \$40 Min \$80 Max	30% \$100 Min \$200 Max

CURRENT PLAN		
Specialty		
Type	Retail	Home Delivery
SPECIALTY	30% \$150 Min \$300 Max	30% \$150 Min \$300 Max

NEW PLAN		
Specialty – NO CHANGE		
Type	Retail	Home Delivery
SPECIALTY	30% \$150 Min \$300 Max	30% \$150 Min \$300 Max

Prescription Coinsurance Minimums and Maximums

Prescription Coinsurance is the percentage a participant pays for a covered prescription. Under this plan the coinsurance will be at least the minimum stated above, but will not exceed the maximum stated above.

Coinsurance Minimum Example – a formulary brand drug costs \$40, the 30% coinsurance is \$12, because the Plan has a minimum coinsurance the participant pays \$25, the Plan pays the \$15 balance of the cost of the formulary brand drug.

Coinsurance Maximum Example – a formulary brand drug costs \$1,200, the 30% coinsurance is \$360, because the plan has a maximum coinsurance the participant will pay \$50 in coinsurance, the Health Fund will pay the \$1,150 balance for the formulary brand drug.

If a drug costs less than the minimum coinsurance amount, the participant will pay the prescription drug cost amount.

IMPORTANT: Generic drugs are not subject to coinsurance

An \$8 copay is all a Participant will pay for up to a 30-day supply of a generic drug. There is even greater savings if a Participant utilizes mail order. The copay for up to a 90-day supply for a mail order generic drug is \$16. The Fund's CVS Smart 90 program allows for the same mail order benefits available at CVS pharmacies.

ORGAN TRANSPLANT

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Currently, the Health Fund per inpatient admission covers 80% after deductible for Plan I and 75% after deductible for Plan II, with a \$500,000 limit. The \$500,000 limit has been eliminated.

TELEDOC

Effective January 1, 2024, Independence Administrators is enhancing virtual care benefits offered to Participants by moving to a new provider, Teledoc. Teledoc's network of providers is amongst the largest in the nation making access to virtual care even easier. The new benefits are available 24/7 and will be replacing the current MDLIVE virtual care provider. Please see the attached flyer outlining the new Teledoc program.

NON- MEDICARE RETIREE HEALTH ELIGIBILITY CHANGES

Effective April 1, 2024

Providing retiree health coverage is very challenging for any organization, and our Health Plan is no exception. After a lengthy discussion regarding current subsidies, the current financial condition of the Health Plan, and equity among all Participants, the Board of Trustees has made the following changes:

Eligibility rules to qualify for the Retiree Health Plan

Non-Medicare Retiree Eligibility Requirements

A Participant will be offered the Non-Medicare Retiree Health Plan upon fulfillment of the below requirements.

- Must be collecting a Pension from the North Atlantic States Carpenters Pension Fund or the Carpenters Labor Management Pension Fund as a shop participant under this Fund.
- A dues paying member in good standing with a Local Union within North Atlantic States Carpenters Regional Council of Carpenters*.
- Eligible for health coverage under the North Atlantic States Carpenters Health Plan for the Insured Period immediately preceding your retirement effective date.
- Must have at least 25,000 hours contributed to the North Atlantic States Carpenters Pension Fund in their career.

*Exception for Participants who are not Local Union members but are working for affiliates of the United Brotherhood under a Participation Agreement such as staff of Local Union, Training Fund, Regional Council and Benefit Fund

Determining the Non-Medicare Premium Annually

The Board of Trustees enlist Actuaries to determine the monthly premium that Non-Medicare Retirees will pay for coverage on an annual basis. Typically, the premium is calculated, presented and approved by the Board of Trustees every January to be effective that April 1. It's important to note that the actuaries take the claims experience from all Participants, both Actives and Non-Medicare Retirees to determine these monthly premiums. This results in an already subsidized premium for Non-Medicare Retirees as a retiree population's healthcare costs are typically higher than an active population. The subsidy amounts discussed below are in addition to this general subsidy that is included at the commencement of the annual premium calculation.

Non-Medicare Retiree Plan- Monthly premium and length of time coverage is available

The number of hours worked with contributions made to the North Atlantic States Carpenters Pension Fund in a Participant's career will determine the percentage of the Participant's monthly premium that will be subsidized by the Health Fund.

If a Participant works...

- 50,000 or more hours in their career their premium will receive the highest subsidy available which is 25%. They will be offered up to thirty-six (36) months of coverage under the Non-Medicare Retiree Plan or until they become eligible for Medicare, whichever occurs first.
- Between 25,000 and 49,999 hours the premium will receive a subsidy of 10%. Participants will be offered up to thirty-six (36) months of coverage under the Non-Medicare Retiree Plan or until they become eligible for Medicare, whichever happens first.

Opt Out Provision

If you are offered the Non-Medicare Retiree coverage, you can opt out if you are covered by another employer sponsored health plan that provides creditable coverage as determined by The Affordable care Act of 2010.

A Participant may also opt back into the Health Plan one time if they experience a termination of their other employer sponsored creditable coverage. They will be required to submit proof that they had continuous creditable coverage for the entire time while utilizing the opt out provision. Coverage by non-employer sponsored plan irrevocably forfeits coverage under the Health Plan.

MEDICARE RETIREES

The Board of Trustees has approved the provision of health coverage for Medicare Retirees through the Blue Medicare PPO Advantage Plan sponsored by the Level Health Consortium effective April 1, 2024. The medical and prescription monthly premium is adjusted annually and will be subject to an administrative fee. The Fund will be collecting the monthly premiums, or you can have the monthly premium deducted from your pension. This plan is not subsidized by the Health Fund. To be eligible for the plan, you must be a dues-paying member in good standing, you must be receiving a pension from the North Atlantic States Carpenters Pension Fund or the Carpenters Labor Management Pension Fund. If you become Medicare eligible April 1, 2024 or thereafter, you can enroll in this plan. Retirees who are currently Medicare eligible will be offered this Blue Medicare PPO Advantage Plan during open enrollment in the fall of 2024.

NATIONAL JEWISH HEALTH

Since 2015, National Jewish Health made available a smoking cessation program and services to our Participants. These services have not been utilized and the Board of Trustees voted to eliminate this program as there are other cessation services available through other current providers. For example: Independence Administrators offers a Tobacco Free program. Similar services are provided through KGA. Express Scripts covers smoking patches at no cost. Lastly, the Centers for Disease Control makes available a general smoker's hotline in every state.

PRIOR AUTHORIZATION REQUIREMENTS

Unless otherwise noted in the Summary Plan Description, the Health Fund utilizes the medical and preauthorization policies of its benefit claim administrators. The current claims administrator for medical claims is Independence Administrators, and the current claims administrator for prescription benefits is Express Scripts. Participants must comply with these policies for treatment to be covered.

This is a Summary of Material Modifications (SMM) regarding the above-named plan ("Plan"). This Summary of Material Modifications supplements the Summary Plan Description ("SPD") previously provided to you. You should retain this document with your copy of the SPD.

If you have any questions concerning this notice or any other matter, please contact the Fund Office at 1-800-344-1515 or 1-800-922-6026.

Sincerely,

Board of Trustees