Central Laborers' Welfare Fund

P.O. Box 1267 • Jacksonville, Illinois 62651 • Phone 217/243-8521 • Fax 217/243-8619
http://www.central-laborers.com

September 2014

Dear Central Laborers' Welfare Fund Participant:

For many years, the Board of Trustees of the Central Laborers' Welfare Fund has been taking steps to protect the financial integrity of the Welfare Fund, while at the same time providing Fund Participants and their Eligible Dependents a comprehensive health benefit package. In conjunction with their annual budget review, and as a result of the changes brought about by the Affordable Care Act, the Trustees have made changes to the plan of benefits which will be effective January 1, 2015.

These changes will affect how the Fund determines continued eligibility and reinstatement of eligibility. These changes will not only affect how eligibility is calculated, but they will also affect the self-payment rate for any individual who loses eligibility due to a reduction of hours and then chooses to maintain coverage for a quarter through the Central Laborers' Welfare Fund self-payment option.

Also effective January 1, 2015, there will be minor adjustments in the deductibles, co-payments and out of pocket expenses. These adjustments will affect the amount you are required to pay when you receive medical treatment or purchase prescription medications.

Due to the above changes, there will not be an increase in the hourly contribution rate during Calendar year 2015.

To assist you in better understanding how the January 1, 2015 eligibility and benefit changes may affect you, we have provided a chart that compares the current eligibility and benefit structures to those that will go into effect January 1, 2015. Please carefully review the information that follows and contact the Fund Office with any questions you may have.

Sincerely,

Central Laborers' Welfare Fund
1-800-252-6571

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CENTRAL LABORERS' WELFARE FUND
2015 ELIGIBILITY RULE CHANGES

	CURRENT RULE	NEW RULE EFFECTIVE JANUARY 1, 2015	COMMENT
INITIAL ELIGIBILITY	500 hours within six (6) consecutive months. Eligibility will begin on the first day of the second calendar month following the 500th contribution hour. Once eligible, eligibility will continue for at least three months.	No change	No change
CONTINUED ELIGIBILITY	After the initial eligibility rule has been satisfied, an individual will continue eligibility for each succeeding quarter if the Fund receives/has received **250** contribution hours in the prior 3 month look-back period; or **500** contribution hours in the prior 6 month look back period; or **750** contribution hours in the prior 9 month look back period; or **1000** contribution hours in the prior 12 month look back period (See Chart A – "2014 eligibility look-back schedule")	After the initial eligibility rule has been satisfied, an individual will continue eligibility for each succeeding quarter if the Fund receives/has received **300** contribution hours in the prior 3 month look-back period; or **600** contribution hours in the prior 6 month look back period; or **900** contribution hours in the prior 9 month look back period; or **1200** contribution hours in the prior 12 month look back period. (See Chart B – "2015 eligibility look-back schedule")	The hour requirement for maintaining eligibility will increase from **250** contribution hours to **300** contribution hours in each successive 3 consecutive month intervals.

	CURRENT RULE	NEW RULE EFFECTIVE JANUARY 1, 2015	COMMENT
REINSTATEMENT OF ELIGIBILITY	Eligibility will terminate if an individual does not meet one of the quarterly maintaining rules. Once eligibility terminates, an individual's eligibility will be reinstated once he or she has accrued **250** contribution hours in three (3) consecutive months within the first six (6) months following an individual's termination date. If an individual does not requalify within the first 6 months following his or her termination date, the individual must again meet the 500-hour initial eligibility requirement.	Eligibility will terminate if an individual does not meet one of the quarterly maintaining rules. Once eligibility terminates, an individual's eligibility will be reinstated once he or she has accrued **300** contribution hours in three (3) consecutive months within the first six (6) months following an individual's termination date. If an individual does not requalify within the first 6 months following his or her termination date, the individual must again meet the 500-hour initial eligibility requirement.	The hour requirement for reinstatement of eligibility will increase from **250** contribution hours to **300** contribution hours in 3 consecutive months within the first 6 months after an individual's termination date.
SELF-PAYMENT	The self-payment base rate is calculated by multiplying 250 hours times the current contribution rate. In **2014**, the self-payment base rate was **$1,487.50** for one (1) quarter of coverage. Any contribution hours received for an individual, which are not used to satisfy a maintaining or reinstatement rule, will reduce the quarterly self-payment base rate required to receive one quarter of coverage.	The self-payment base rate is calculated by multiplying **300** hours times the current contribution rate. In **2015**, the self-payment base rate will be **$1,785.00** for one (1) quarter of coverage. Any contribution hours received for an individual, which are not used to satisfy a maintaining or reinstatement rule, will reduce the quarterly self-payment base rate required to receive one quarter of coverage.	The self-payment base rate for one (1) quarter of coverage will be calculated based on 300 hours times the current contribution rate instead of 250 hours. The self-payment for one (1) quarter of coverage will increase from the **2014** base rate of **$1,487.50** to the **2015** base rate of **$1,785.00**.

CHART A - 2014 ELIGIBILITY LOOK-BACK SCHEDULE

CONTINUED ELIGIBILITY 2014 LOOK-BACK SCHEDULE	
If a member works:	He or she would maintain coverage for:
FOR THE DECEMBER 31ST REVIEW	
250 contribution hours in September, October, November; or 500 contribution hours in June through November; or 750 contribution hours in March through November; or 1,000 contribution hours in December through November	January, February and March
FOR THE MARCH 31ST REVIEW	
250 contribution hours in December, January, February; or 500 contribution hours in September through February; or 750 contribution hours in June through February; or 1,000 contribution hours in March through February	April, May and June
FOR THE JUNE 30TH REVIEW	
250 contribution hours in March, April, May; or 500 contribution hours in December through May; or 750 contribution hours in September through May; or 1,000 contribution hours in June through May	July, August and September
FOR THE SEPTEMBER 30TH REVIEW	
250 contribution hours in June, July, August; or 500 contribution hours in March through August; or 750 contribution hours in December through August; or 1,000 contribution hours in September through August	October, November and December

CHART B - 2015 ELIGIBILITY LOOK-BACK SCHEDULE

CONTINUED ELIGIBILITY 2015 LOOK-BACK SCHEDULE	
If a member works:	He or she would maintain coverage for:
FOR THE DECEMBER 31ST REVIEW	
300 contribution hours in September, October, November; or 600 contribution hours in June through November; or 900 contribution hours in March through November; or 1,200 contribution hours in December through November	January, February and March
FOR THE MARCH 31ST REVIEW	
300 contribution hours in December, January, February; or 600 contribution hours in September through February; or 900 contribution hours in June through February; or 1,200 contribution hours in March through February	April, May and June
FOR THE JUNE 30TH REVIEW	
300 contribution hours in March, April, May; or 600 contribution hours in December through May; or 900 contribution hours in September through May; or 1,200 contribution hours in June through May	July, August and September
FOR THE SEPTEMBER 30TH REVIEW	
300 contribution hours in June, July, August; or 600 contribution hours in March through August; or 900 contribution hours in December through August; or 1,200 contribution hours in September through August	October, November and December

CENTRAL LABORERS' WELFARE FUND
2015 BENEFIT PLAN CHANGES

Plan Limits Medical	*Current*	*2015*
In-Network Deductible	$100	$125
Out-of-Network Deductible	$1,500	$1,900
In-Network Out-of-Pocket Limit	$7,500	$9,500
Office Visit Copay	$20	$25
Emergency Room Copay	$125	$155

CENTRAL LABORERS' WELFARE FUND
2015 PRESCRIPTION BENEFIT PLAN CO-PAYMENT CHANGES

Copays – Prescription Drug	*Current*	*2015*
Retail – Generic	$10	$15
Retail – Brand Formulary	$40	$50
Retail – Brand Non-Formulary	$100	$125
Mail Order or (90-day retail) – Generic	$20	$25
Mail Order or (90-day retail) – Brand Formulary	$80	$100
Mail Order or (90-day retail) – Brand Non-Formulary	$200	$250