

THINKING ABOUT RETIRING?

BELOW, PLEASE FIND SOME OF THE MOST FREQUENTLY ASKED QUESTIONS THAT MAY HAVE COME TO MIND.

Q. DOES MY INSURANCE TERM WHEN I RETIRE?

A. NO. FIRST, CONTRIBUTIONS RECEIVED WHILE YOU WERE WORKING MAY EXTEND YOUR COVERAGE FOR A PERIOD OF TIME. THE LENGTH OF TIME DEPENDS ON THE NUMBER OF HOURS YOU WORKED PRIOR TO RETIREMENT AND IN WHAT PERIOD (MONTHS) THOSE HOURS WERE WORKED.

AFTER YOUR ELIGIBILITY IS EXHAUSTED BY ACTUAL HOURS WORKED, YOUR ELIGIBILITY MAY ALSO EXTEND FURTHER DEPENDING ON THE NUMBER OF HOURS YOU HAVE ACCUMULATED IN YOUR RESERVE BANK. A PARTICIPANT ACCUMULATES HOURS THAT TRANSLATE INTO DOLLARS AFTER WORKING OVER 1,875 HOURS IN A CALENDAR YEAR. ALTHOUGH WE STATE THAT THE HOURS IN A RESERVE BANK TRANSLATE INTO DOLLARS, THOSE ARE NOT TRANSPORTABLE DOLLARS, AND THEY WILL ONLY APPLY TO EXTENDING ELIGIBILITY AND ASSISTING IN MAKING OR REDUCING A SELF-PAYMENT. A TOTAL OF FOUR QUARTERLY SELF-PAYMENTS CAN BE MADE TO EXTEND ELIGIBILITY UNDER THE ACTIVE PLAN. UP TO TWO OF THOSE SELF-PAYMENTS COULD BE MADE WITH HOURS/DOLLARS IN YOUR RESERVE BANK, DEPENDING ON THE TOTAL HOURS ACCUMULATED IN A CALENDAR YEAR.

PLEASE NOTE, IF YOU PLAN TO CONTINUE COVERAGE UNDER A RETIREE BENEFIT PLAN, YOU WILL NEED TO MAINTAIN ELIGIBILITY THROUGH ALL FOUR QUARTERS OF SELF-PAYMENT AND ALSO MEET THE RETIREE BENEFIT PLAN ELIGIBILITY REQUIREMENTS TO BE OFFERED RETIREE BENEFITS.

SHOWING BELOW IS THE SCHEDULE USED TO MAINTAIN YOUR INSURANCE COVERAGE BY HOURS WORKED.

If You Work:

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
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
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
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

Your Coverage Continues During:

January, February and March

April, May and June

July, August and September

October, November and December

Q. DO I AUTOMATICALLY GET OFFERED THE RETIREE SELF-PAYMENT PLAN?

A. NO, YOU HAVE TO MEET THE REQUIREMENTS TO BE OFFERED THE RETIREE POLICY.

1. RECEIVING A PENSION FROM CENTRAL LABORERS' PENSION FUND OR ANOTHER FUND THAT HAS ENTERED INTO AN AGREEMENT WITH THE CENTRAL LABORERS' WELFARE FUND.
2. HAD 5 YEARS OF WELFARE CONTRIBUTIONS IMMEDIATELY BEFORE THE EFFECTIVE DATE OF YOUR PENSION.
3. NOT ELIGIBLE FOR MEDICARE.

Q. HOW IS MY PAYMENT FIGURED FOR THE RETIREE POLICY?

A. THE QUARTERLY RETIREE BENEFIT PLAN PREMIUM IS DETERMINED BY THE TRUSTEES ANNUALLY AND IS ALSO AFFECTED BY YOUR AGE OR DISABILITY STATUS, IF APPLICABLE. IF YOU ARE AT LEAST 53 YEARS OF AGE OR QUALIFY FOR RETIREE COVERAGE DUE TO AN APPROVED DISABILITY, YOU MAY BE ABLE TO REDUCE THE PREMIUM BY APPLYING RETIREE SUBSIDY CREDITS/DOLLARS.

RETIREE SUBSIDY CREDITS ACCUMULATE OVER THE YEARS YOU HAVE WORKED AS A LABORER AND WILL ACCRUE BASED ON THE TOTAL NUMBER OF HOURS REPORTED FOR YOU IN A CALENDAR YEAR. CREDITING BEGINS IN A CALENDAR YEAR AFTER 500 HOURS ARE REPORTED ON YOUR BEHALF. AN INDIVIDUAL CAN BE CREDITED WITH UP TO A MAXIMUM OF 1 CREDIT PER YEAR, WHICH REQUIRES 1000 HOURS REPORTED IN A GIVEN CALENDAR YEAR. OVER YOUR WORK LIFETIME, YOU CAN ACCUMULATE A MAXIMUM OF 30 RETIREE SUBSIDY CREDITS.

HOW THE RETIREE SELF-PAYMENT AND RETIREE SUBSIDY CREDIT REDUCTION WORKS:

FIRST, THE TRUSTEES DETERMINE THE DOLLAR AMOUNT THAT EACH RETIREE SUBSIDY CREDIT WILL BE MULTIPLIED BY WHEN CONVERTING THE CREDITS TO DOLLARS. THAT AMOUNT IS A MONTHLY DOLLAR FIGURE. RETIREE PREMIUMS ARE PAYABLE QUARTERLY, SO THE MONTHLY AMOUNT OF YOUR RETIREE SUBSIDY WILL THEN BE MULTIPLIED BY THREE SO AS TO DETERMINE THE OVERALL REDUCTION THAT CAN BE MADE FROM THE QUARTERLY RETIREE PREMIUM, RESULTING IN THE AMOUNT YOU WILL PAY FOR QUARTERLY COVERAGE.

EXAMPLE: MEMBER HAS MAXIMUM 30 RETIREE SUBSIDY CREDITS AND EACH CREDIT IS WORTH \$23.42 (30 X \$23.42= \$702.60 PER MONTH). A RETIREE BENEFIT PLAN QUARTERLY PREMIUM, MIGHT BE \$4,200 PER QUARTER. THE MONTHLY RETIREE SUBSIDY AMOUNT OF \$702.60 IS MULTIPLIED BY THREE, WHICH EQUALS \$2,107.80. YOUR RETIREE BENEFIT PLAN QUARTERLY PREMIUM, THEN, WOULD BE \$2,092.20, WHICH IS REACHED BY TAKING THE \$4,200 QUARTERLY PREMIUM MINUS YOUR RETIREE QUARTERLY SUBSIDY.

THE QUARTERLY PREMIUM, ONCE PAID, WILL COVER A PARTICIPANT, SPOUSE AND ANY DEPENDENTS THAT MEET THE ELIGIBILITY REQUIREMENTS. PLEASE BE AWARE THAT ONE OF THE ELIGIBILITY REQUIREMENTS IS INDIVIDUALS ON THE PLAN ARE NOT ELIGIBLE FOR MEDICARE.

Q. CAN I HAVE MY RETIREE PREMIUM TAKEN OUT OF MY PENSION?

A. YES. AFTER SIGNING THE REQUIRED DOCUMENTS TO ALLOW FOR A PENSION DEDUCTION, YOUR PREMIUMS CAN BE TAKEN OUT OF YOUR PENSION. THE PREMIUMS, ALTHOUGH CALCULATED AS QUARTERLY PREMIUMS, WILL BE DIVIDED BY THREE AND ONE-THIRD OF YOUR PREMIUM WILL BE DEDUCTED FROM YOUR PENSION MONTHLY.

Q. CAN I CONTINUE TO WORK AND USE THOSE CONTRIBUTIONS TO REDUCE MY QUARTERLY RETIREE BENEFIT PLAN PREMIUM?

A. YES. IF YOU WORK FOR A CONTRIBUTING EMPLOYER OR HOURS ARE RECIPROCATED BACK TO CENTRAL LABORERS' WELFARE FUND AND IF THE TOTAL NUMBER OF HOURS WORKED DO NOT EXCEED THOSE ALLOWED FOR YOU TO CONTINUE TO BE ELIGIBLE TO RECEIVE YOUR PENSION, THOSE HOURS WORKED, MULTIPLIED BY THE CURRENT CONTRIBUTION RATE, COULD REDUCE THE AMOUNT PAYABLE TO MAINTAIN QUARTERLY RETIREE BENEFIT PLAN COVERAGE.

IF YOU MAKE A PAYMENT FOR YOUR QUARTERLY RETIREE BENEFIT PLAN COVERAGE, THE CALCULATED AMOUNT OF REDUCTION FOR HOURS WORKED WILL BE REFLECTED IN THE PAYABLE AMOUNT LISTED ON THE PREMIUM STATEMENT YOU RECEIVE FROM CENTRAL LABORERS' WELFARE FUND. IF YOU HAVE SIGNED UP FOR A PENSION DEDUCTION, YOUR MONTHLY PENSION DEDUCTION AMOUNT WILL NOT CHANGE. HOWEVER, IF YOU WORKED QUALIFYING HOURS, YOU WILL RECEIVE A REIMBURSEMENT CHECK QUARTERLY FOR THE TOTAL AMOUNT YOUR PREMIUM WAS REDUCED BY THOSE HOURS REPORTED/CONTRIBUTIONS PAID.

EXAMPLE: YOU WORKED THE MAXIMUM NUMBER OF HOURS ALLOWED AS A RETIREE WHO IS RECEIVING A PENSION FROM THE CENTRAL LABORERS' PENSION FUND (CURRENTLY 39.5). THOSE HOURS ARE MULTIPLIED BY THE CENTRAL LABORERS' WELFARE FUND CONTRIBUTION RATE (CURRENTLY \$6.90 PER HOUR). THE FUND WILL CALCULATE THE QUARTERLY RETIREE BENEFIT PLAN PREMIUM REDUCTION BY TAKING THE REPORTED HOURS, 39.5, AND MULTIPLYING THEM BY THE CENTRAL LABORERS' WELFARE FUND CONTRIBUTION RATE, \$6.90, WHICH WOULD EQUAL \$272.55. YOUR OVERALL QUARTERLY RETIREE BENEFIT PLAN PREMIUM WOULD THEN BE REDUCED BY \$272.55, IN ADDITION TO ANY OTHER REDUCTION YOU MAY QUALIFY FOR, INCLUDING YOUR RETIREE SUBSIDY REDUCTION.

Q. HOW LONG CAN MY SPOUSE CONTINUE COVERAGE UNDER A CENTRAL LABORERS' WELFARE FUND RETIREE BENEFIT PLAN?

A. IF YOU ARE NO LONGER COVERED UNDER A RETIREE BENEFIT PLAN DUE TO BECOMING ELIGIBLE FOR MEDICARE OR DUE TO YOUR DEATH, YOUR SPOUSE CAN CONTINUE ON A RETIREE BENEFIT PLAN, SO LONG AS HE OR SHE IS NOT ELIGIBLE FOR MEDICARE, THE REQUIRED PREMIUMS ARE PAID AND ANY OTHER REQUIREMENTS ARE MET.

Q. IS MY SPOUSE REQUIRED TO ENROLL IN HIS/HER EMPLOYER SPONSORED HEALTH PLAN IF HE OR SHE IS EMPLOYED FULL TIME AND OTHER INSURANCE IS OFFERED THROUGH HIS OR HER EMPLOYER?

A. IF EMPLOYED FULL-TIME AND OFFERED AN EMPLOYER SPONSORED PLAN, YOUR SPOUSE WILL STILL BE REQUIRED TO ENROLL AND MAINTAIN COVERAGE WITH THAT EMPLOYER SPONSORED PLAN TO RECEIVE SECONDARY BENEFITS UNDER YOUR CENTRAL LABORERS' WELFARE FUND RETIREE BENEFIT PLAN. IF YOUR SPOUSE WOULD CHOOSE TO GO PART-TIME OR HIS/HER EMPLOYER NO LONGER OFFERS EMPLOYER SPONSORED INSURANCE, THE APPROPRIATE DOCUMENTS WOULD NEED TO BE COMPLETED AND SUBMITTED TO THE FUND OFFICE SO THE NEW STATUS CAN BE DOCUMENTED.

FOR MORE DETAIL REGARDING YOUR CONTINUATION OF COVERAGE AND THE CENTRAL LABORERS' WELFARE FUND RETIREE BENEFITS, PLEASE REFER TO PAGES 19-22 OF YOUR SUMMARY PLAN DESCRIPTION OR CONTACT THE FUND OFFICE WITH YOUR QUESTIONS. (1-800-252-6571, OPTION 6, THEN OPTION 4)

This Frequently Asked Question document may contain only highlights of certain features of the Central Laborers' Welfare Fund. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. The Trustees reserve the right to amend, modify or terminate the Plan at any time. You and your eligible Dependents do not acquire any vested right to Plan benefits either before or after you retire.
