

PLUMBERS LOCAL 24

WELFARE FUND

Quick Reference Guide

for

JOURNEYMEN

Effective January 1, 2015

Important Notice: This is an outline of the principal plan provisions of the Plumbers Local 24 Welfare Plan and is not intended to completely describe the Plan provisions. In the event of any discrepancy between this outline and the Plans, the Plan Document shall govern. For further information, please review your Summary Plan Description or contact the office of the Administrator, I. E. Shaffer & Co., at P. O. Box 1028, Trenton, NJ 08628. Telephone 1-800-792-3666.

PLUMBERS LOCAL 24 WELFARE FUND

Effective January 1, 2015

Eligibility Rules – Active Participants:

You will become eligible to receive benefits on the first day of the second month that follows an employment period of not more than 6 consecutive months during which you have been credited with 300 hours of service. Upon satisfying this requirement, you will remain eligible for a minimum of three months:

If You Have 300 Hours During the Prior:	You Will Become Eligible:	And Will Remain Eligible Until At Least:
June through November	January 1	May 31
July through December	February 1	May 31
August through January	March 1	May 31
September through February	April 1	August 31
October through March	May 1	August 31
November through April	June 1	August 31
December through May	July 1	November 30
January through June	August 1	November 30
February through July	September 1	November 30
March through August	October 1	February 28 (29)
April through September	November 1	February 28 (29)
May through October	December 1	February 28 (29)

To maintain your eligibility thereafter, you must have at least 300 hours of service each calendar quarter. Your eligibility will terminate on the last day of the second month following the calendar quarter during which you fail to receive credit for at least 300 hours.

If You Have Less Than 300 Hours of Credit Between:	Your Eligibility Will Terminate On:
January 1 – March 31	May 31
April 1 – June 30	August 31
July 1 – September 30	November 30
October 1 – December 31	February 28 (29)

Hours of service in excess of the hours required to establish and maintain eligibility will be placed in a reserve and will accumulate up to a maximum of 600 hours. This reserve will be drawn upon to maintain your eligibility if you should fail to receive credit for at least 300 hours of service during a subsequent calendar quarter.

If you become disabled while eligible, you will be credited with 25 disability hours for each week that you are disabled up to a maximum of 600 hours for any one continuous period of disability.

10 Month Reinstatement Provision:

Should your eligibility terminate, it will be reinstated provided you are credited with at least 300 hours of service within the 10 month period following your termination. Hours of service worked during the calendar quarter immediately preceding your termination date, plus any accumulated reserve hours, will be applied towards this 300 hour requirement. If you do not satisfy this reinstatement provision, you will be treated as a new employee and will be subject to the 300 hour requirement for initial eligibility outlined above.

Termination Date:	Period of Time to Work a Total of 300 Hours (Plus any Remaining Reserve Hours) To Reinstatement:
February 28 (29)	October 1 of the prior year – December 31
May 31	January 1 – March 31 of the next year
August 31	April 1 – June 30 of the next year
November 30	July 1 – September 30 of the next year

Your eligibility will reinstate on the first day of the second month following that calendar quarter during which you meet this 300 hour requirement.

If You Are Credited with Your Required 300th Hour to Reinstatement Between:	Your Eligibility Will Reinstatement On:
January 1 – March 31	May 1
April 1 – June 30	August 1
July 1 – September 30	November 1
October 1 – December 31	February 1

Self-Pay Provision:

A self-pay option is available to employees who terminate coverage and who missed maintaining their eligibility by **100 hours or less**. In this event, you have the opportunity to make contributions on your own behalf to the Welfare Fund for the hours necessary to meet the 300 hour requirement at the normal employer hourly contribution rate. For example, if you have 150 hours of service during a calendar quarter, and you have 110 remaining reserve hours, you will have a total of 260 hours towards the requirement of 300 hours leaving you short of the requirement by 40 hours. In this situation, you would be permitted to make a contribution on your own behalf for the 40 hours at the hourly employer contribution rate, to maintain your eligibility for an additional three (3) months.

Eligibility Rules - Retired Employees:

Following your retirement, you will be eligible for retiree benefits provided all the following requirements are satisfied:

- You are eligible for benefits under the Welfare Fund as an active employee or COBRA participant for 36 of the 72 months prior to your retirement.
- You are receiving a retirement benefit from the Plumbers Local 24 Pension Fund.
- You have earned at least 20 years of Vested Service under the Plumbers Local 24 Pension Fund with at least 5 years of credit earned during the 10 plan years prior to your retirement.
- The total of your age and years of pension Vested Service is at least 85, or you have attained age 65, or you are receiving a disability retirement pension benefit.
- You make the required contributions in the amount established by the Trustees as detailed below:

Age 65+ or receiving a disability pension	\$125/month
Age 62 to 64 with dependents	\$313/month
Age 62 to 64 with no dependents	\$156/month
Under age 62 with dependents	\$375/month
Under age 62 with no dependents	\$188/month

COBRA Provision:

If you fail to meet the eligibility requirements and lose eligibility, self-pay continuation of coverage is available under COBRA for up to 18 months. If your dependent loses eligibility due to your death, divorce, or your child attaining the maximum eligible age, self-pay continuation of coverage is available under COBRA for up to 36 months. Your accumulated reserve hours will be applied before self-pay is required. The present monthly COBRA rates are as follows:

	Journeymen
Single	\$ 690
Parent/Child(ren)	\$1,036
Husband/Wife	\$1,174
Family	\$1,380

Dependent Coverage in the Event of your Death:

Following your death your dependents will remain eligible for health benefits until the earliest of the following dates:

1. The last day of a period of six (6) months following your death.
2. The date your dependent becomes eligible for similar benefits under other group coverage.
3. The date your dependent children attaining the maximum eligible age.

Once the 6 month period of “free” coverage expires, your dependents may continue their coverage under COBRA for up to 36 months as described above. In the case of a retired employee, if your spouse loses eligibility due to your death, self-pay continuation of coverage is available for an indefinite period of time at a monthly rate of \$85 for a spouse who is Medicare eligible or \$500 for a spouse who is not Medicare eligible. Parent child coverage for the surviving spouse and dependent children of retirees is also available at the current COBRA rates.

Types of Plan Benefits for Active and Retired Journeymen

- * Life Insurance (active employees only)
- * Accidental Death & Dismemberment (active employees only)
- * Death Benefit (retired employees only)
- * Temporary Disability (active employees only)
- * Medical
- * Prescription
- * Dental (active employees only)
- * Vision
- * Employee Assistance Program – pre-certification required for all in-patient treatment associated with mental/nervous and substance abuse treatment.
- * Medicare Supplement (80% coverage of Medicare co-insurance and deductibles for Medicare eligible retired employees)

Overview of Horizon Blue Cross Blue Shield of NJ Network Benefits

	<u>In-Network</u>	<u>Out-of-Network</u>
In-patient Hospital	90%	no coverage
Out-patient Hospital	90%	no coverage
Emergency treatment (in or out-of-network) – \$50 co-payment (co-pay waived if admitted)	90% coverage, no deductible after	
Physician Services		
Office or home services	100% after \$25 co-pay	no coverage
Diagnostic X-ray and Lab*	90%	no coverage
* \$25 co-pay if test performed in doctor’s office. In NJ, participants must use Laboratory Corporation of America.		
Out-of Network tests are not covered except for services rendered by hospital based pathologists and radiologists at in-network hospitals.		

How To Find A Horizon Blue Cross Blue Shield Provider

- ◆ Ask your physician, hospital, lab or other provider
- ◆ Horizon’s website at www.horizonblue.com
- ◆ Call I. E. Shaffer & Co. at 1-800-792-3666
- ◆ Call Horizon at 1-800-810-BLUE (2583)

PLUMBERS LOCAL UNION 24 WELFARE FUND
Schedule of Benefits

For
Active and Retired
Journeyman

Effective January 1, 2015

HORIZON PPO NETWORK

Life Insurance & Death Benefits

Active Employees - \$10,000 (life insurance)
Retired Employees - \$5,000 (death benefit)

Accidental Death & Dismemberment Benefits for Active Journeymen Only

Active Employees - \$10,000

Temporary Disability Benefit for Active Journeymen Only

Weekly Benefit - \$200
Waiting Period - 7 Days
Maximum Benefit Period - 20 Weeks

Medical Benefits

Annual Calendar Year Deductible - \$0
Annual In-Network Medical Maximum Out-of-Pocket Limit - \$4,000 person/\$8,000 family
(Co-pays, deductibles and co-insurance count towards this out-of-pocket limit)

Medicare eligible plan participants- Fund pays as a supplement to Medicare at 80% with no deductible/no out-of-pocket maximum

Inpatient Hospital – semi-private rate:
In-Network - 90% coverage
Out-of-Network - no coverage provided

Outpatient Hospital Services:
In-Network - 90% coverage
Out-of-Network - no coverage provided
Emergency Treatment – 90% coverage after \$50 co-payment for both in-network and out-of-network hospitals (\$50 co-payment waived if admitted)

Medical Benefits (continued)

Physician Surgical and In-Hospital Services:

- In-Network - 90% coverage
- Out-of-Network - no coverage provided

Physician Office or Home Visits:

- In-Network - 100% coverage after \$25 co-payment
- Out-of-Network - no coverage provided

Laboratory and Radiology Services:

- In-Network - 90% coverage or \$25 co-pay if test performed in doctor's office.
- In NJ, participants must use Lab Corp. of America.
- Out-of-Network - no coverage (except for services rendered by hospital based pathologists and radiologists at in-network hospitals)

Preventative Care as defined by the Patient Protection and Affordable Care Act:

- In-Network - 100% coverage
- Out-of-Network - no coverage provided

Hospice Services (excludes respite care, pastoral care, and counseling):

- In-Network – 90% coverage for in-patient, 90% coverage for out-patient (maximum 120 visits/year, 4 hours = 1 visit, no custodial care covered). \$10,000 maximum lifetime benefit
- Out-of-Network – no coverage provided

Home Health Care Services:

- In-Network -90 % coverage (maximum 120 visits/year, 4 hours = 1 visit, no custodial care covered)
- Out-of-Network – no coverage provided

Chiropractic Care:

- In-Network – 100% coverage after \$25 co-payment/visit (up to 30 visits per person/year)
- Out-of-Network – no coverage provided

Ambulance/Emergency Medical Transportation:

- In-Network – 90% coverage (covers transport from point where stricken to nearest hospital that can provide treatment)
- Out-of-Network – no coverage provided

Skilled Nursing Care:

- In-Network-90% coverage for inpatient and 100% coverage after \$25 co-payment per visit for out-patient care, maximum 150 visits/year
- Out-of- Network-no coverage provided

All Other Covered Medical Services:

- In-Network - 90% coverage
- Out-of-Network - no coverage

Prescription Card Program for Active employees and non Medicare eligible retired employees

Mandatory generic substitution – no DAW, max 30 day supply

Generic Drugs - \$5 copayment

Preferred Brand Name Drugs - 35% copayment, minimum of \$20, maximum of \$150

Non-Preferred Brand Name Drugs - 50% copayment minimum of \$35

Specialty Medications –

Preferred specialty medications 20% copayment, maximum of \$200

Non-preferred specialty medications 20% copayment, maximum of \$250

After \$2,600 per person or \$5,200 per family of out-of pocket prescription expenses during a calendar year, there will be no co-payments required for the remainder of the year.

If a name brand drug with a FDA approved generic is requested, the total co-pay will be the generic co-pay plus the difference in cost between the brand and generic medications. This penalty is not subject to the maximum co-pay limitations.

Mail Order Prescription Program for Active employees and non Medicare eligible retired employees

Mandatory generic substitution – no DAW, max 90 day supply

Generic Drugs - \$10 copayment

Preferred Brand Name Drugs - 35% copayment minimum of \$40, maximum of \$300

Non-Preferred Brand Name Drugs - 50% copayment minimum of \$55

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Mail Order Prescription Program for Medicare eligible retired employees

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Preferred Brand Name Drugs - 35% copayment, minimum of \$40, maximum of \$300

Non-Preferred Brand Name Drugs - 50% copayment, minimum of \$55

Note that once a Medicare eligible participant's total out of pocket expense for prescription drugs exceeds \$4,700 in a calendar year; co-pays at both retail or mail will be as follows:

Generic: \$2.55 or 5% (whichever is greater)

Preferred Brand Name: \$6.35 or 5% (whichever is greater)

Non-Preferred Brand Name: \$6.35 or 5% (whichever is greater)

Preferred Specialty Medications: \$6.35 or 5% (whichever is greater)

Non-Preferred Specialty Medications: \$6.35 or 5% (whichever is greater)

Dental Benefits for Active Journeymen Only (two options, annual election effective January 1st of each year)

Paid at 100% per schedule with a \$580 per family annual maximum benefit

OR

Optional Horizon Dental Choice Plan

Features of this optional plan include:

- No annual benefit maximum
- No patient paid expenses for basic covered services
- 25% Co-payment for major services
- No need to submit claim forms

Vision Benefit (maximum benefit every 12 months)

Examination - \$50

Lens: Single - \$50

Bifocal or Trifocal - \$75

Lenticular - \$120

Contact - \$150

Frames - \$50

Benefit Maximums

Annual In-Network Medical Maximum Out-of-Pocket Limit - \$4,000 person/\$8,000 family
(Co-pays, deductibles and co-insurance count towards this out-of-pocket limit)

Annual Prescription Maximum Out-of-Pocket Limit - \$2,600 person/\$5,200 family
For active employees and non-Medicare eligible retired employees only
(Prescription co-pays count towards this limit)

Home Health Care - 120 visits per calendar year, 4 hours= 1 visit, no custodial care

Chiropractic Care Limits - Maximum of 30 covered visits per person per year

Annual Dental Maximum, including Orthodontia - \$580 per family for Active Journeymen only

Hospice- \$10,000 maximum lifetime benefit, 180 days

Speech Therapy- 30 visits per calendar year

Pre-Certification Requirements

All in-patient hospital stays must be pre-certified by **Horizon Blue Cross Blue Shield at 1-800-664-BLUE (2583)**. Emergency admissions must be certified within 72 hours after hospital admission. No benefits will be paid for treatment that is not pre-certified.

All in-patient treatment relative to mental/nervous and substance abuse conditions must be pre-certified by **Lower Hudson Valley EAP at 1-800-327-2799** rather than Horizon Blue Cross Blue Shield. No benefits will be paid for treatment that is not pre-certified.

In-Network Only

The medical coverage provided under the Plan is **in-network only**. The Plan does not provide out-of-network coverage for providers who do not participate in the HORIZON PPO network. The only exception is “*emergency*” treatment rendered by an out-of-network provider with “*emergency*” defined as the sudden onset of an illness or injury where the symptoms are of such severity that the absence of immediate medical attention could reasonably result in:

- Placing the covered person's life in jeopardy, or
- Causing other serious medical consequences, or
- Causing serious impairment to bodily functions, or
- Causing serious dysfunction of any bodily organ or part.

Supplemental Benefits:

The Plumbers Local 24 Welfare Fund has a plan of Supplemental Benefits that includes a Health Reimbursement Arrangement (HRA).

- ◆ On an annual basis, you will receive a statement of your individual account for the 12 month period ending April 30th. You can normally expect to receive this statement by June 1st of each year. As of April 30th of each year, your account will be credited with investment earnings, determined by the Trustees, based on your average account balance during the prior 12 month period. In addition, a flat annual expense charge will be applied by the Trustees to all accounts.
- ◆ You may apply for a benefit if you or one of your dependents has medical or dental expenses not otherwise paid for by the Welfare Fund. Typically, this would include co-pays, deductibles, and coinsurance under the Welfare Plan as well as items not covered by the Welfare Plan. Your application must be for a total benefit of at least \$100 in combined expenses and should be forwarded to I E Shaffer & Co for processing and payment.
- ◆ The list of eligible medical and dental expenses for which you may seek reimbursement are detailed in IRS Publication 502 “Medical and Dental Expenses” which can be found at www.irs.gov/publications/p502/index.html.
- ◆ You may also apply for a supplemental unemployment benefit of up to \$2,000 if you have no contributory hours to the Welfare Fund for at least three (3) consecutive months while on the out-of-work list of Plumbers Local Union 24. A separate supplemental unemployment benefit will be paid if you have an additional three (3) consecutive month period with no contributory hours to the Welfare Fund.
- ◆ The Supplemental Benefits that you receive for out-of-pocket medical and dental expenses are not subject to federal or state tax.
- ◆ The Supplemental Benefits that you receive for unemployment, are subject to significant tax liability and withholding including federal and state income taxes as well as F.I.C.A. (Social Security – both employee and employer share) and federal unemployment taxes. The Fund Office will issue the appropriate tax form to you.