



# *Carpenters Southwest Administrative Corporation*

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[www.carpenterssw.org](http://www.carpenterssw.org)

October 2014

## **IMPORTANT ANNOUNCEMENT**

### **TO PARTICIPANTS AND BENEFICIARIES OF THE RETIRED CARPENTERS PLAN:**

This is to advise you of two changes to the Trust's retiree medical plan – an increase in the monthly self-pay rates and a change in the eligibility rules.

Health care benefit costs are continuing to escalate at rates above general inflationary trends. Despite employer contribution increases to help pay for these increases in benefit costs.

After a careful and thorough examination of the financial position of the Trust, we have found it necessary to increase the monthly self-pay rates for retiree medical coverage. The self-pay rates, which have not been increased since 2011, will increase to \$350 for single coverage and \$700 for retiree and spouse coverage effective with the self-pay premium due for January 2015 coverage. The new self-pay premiums will be deducted from your monthly pension unless you terminate your retiree medical coverage as discussed below.

You have a choice between remaining covered through the Trust and accessing a health plan through the Health Insurance Marketplace available under the Affordable Care Act.

For those that are not yet eligible for Medicare, the Health Insurance Marketplace is the key part of health care reform that took effect in 2014. The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace is intended to be the “one-stop shopping” to compare private health insurance options.

You may also be eligible for a tax credit (commonly called a subsidy) if you select a policy through this new Marketplace. The Kaiser Family Foundation (a non-profit organization) has an easy to use subsidy calculator on its website at [kff.org/interactive/subsidy-calculator](http://kff.org/interactive/subsidy-calculator). Subsidy estimates can also be obtained from the federal website at [HealthCare.gov](http://HealthCare.gov). The subsidy calculator will ask you if you have employer coverage available. The Trust's Retired Carpenters Plan is not considered employer provided coverage for purposes of qualifying for a subsidy. So your response to that question should be “no” unless you are eligible for employer provided coverage elsewhere.

Open enrollment for coverage through the Marketplace begins November 15, 2014 for coverage starting January 1, 2015. Please review your options on-line at [HealthCare.gov](http://HealthCare.gov), or call 1-800-318-2596.

If you decide to terminate your coverage through the Trust, please notify the Administrative Office in writing of your desire to terminate coverage. If your termination notice is mailed by December 1, 2014, your coverage will terminate as of January 1, 2015. If your termination notice is mailed after December 1, your coverage will terminate as of the first day of the month following 30 days from the date the Administrative Office receives your termination notice. Once coverage through the Trust is terminated, it cannot be reinstated and no re-enrollment will be permitted at a later date.

A change is also made to the Trust's retiree medical plan eligibility rules that affect employees with a Pension annuity starting date that is first effective on or after January 1, 2015. An additional provision is added that requires an individual to have had coverage under the Southwest Carpenters Health and Welfare Plan for Active Carpenters (whether on the basis of hours worked or reserve hours) in the month immediately preceding his/her Pension annuity starting date in order to qualify for retiree medical coverage. All other requirements for retiree medical coverage are unchanged.

If you have any questions concerning the information in this announcement, please direct them to the Administrative Office, where the staff will be happy to assist you. You may also visit the Plan's website at [www.carpenterssw.org](http://www.carpenterssw.org). Please keep this announcement with your Summary Plan Description booklet for future reference.

Sincerely,

THE BOARD OF TRUSTEES

*Aviso a los participantes que hablan español: Si tiene alguna pregunta tocante este aviso, o requiere alguna otra información tocante a su cobertura de salud, por favor no dude en comunicarse con la Oficina Administrativa al (800) 293-1370, donde habrá varios representantes bilingües que le ayudarán.*