



# Carpenters Southwest Administrative Corporation

533 South Fremont Avenue • Los Angeles, California 90071-1706 • Tel: 213-386-8590 • Toll Free: 800-293-1370

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

**To: All Active Participants of the Southwest Carpenters Health and Welfare Trust -  
Participants of the Bronze and Basic Plans**

## **Important Participant Benefit Program Notice**

**APRIL 2018**

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### **PARTICIPANT NOTICE**

This notice highlights clarifications and changes to the Southwest Carpenters Health and Welfare Trust (the Plan). This information is **very important** for you and your covered dependents, so please take the time to read it carefully.

**Aviso a los participantes que hablan español:** Si tiene alguna pregunta referente a este aviso o requiere alguna otra información referente a su cobertura de salud, por favor de comunicarse con la oficina administrativa al (213) 386-8590 o (800) 293-1370, donde habrá varios representantes bilingües que le ayudarán.

### **NEW SELF-PAYMENT OPTION (EFFECTIVE JULY 1, 2018)**

The Board of Trustees is pleased to announce a new self-payment option designed to help you maintain your eligibility for benefits.

As a reminder, you maintain eligibility for benefits for a given quarter as long as your work hours for the previous quarter, plus your reserve bank hours, total 360. For example, if your combined hours total 360 in January, February, and March, you maintain your eligibility for benefits in May, June, and July.

If you are short up to 60 work or reserve bank hours, you can use the new self-payment option. With this option, you can make a self-payment to the Fund for the remaining hours you need (360 minus your combined hours). Your self-payment then maintains your eligibility for the quarter in which you would have otherwise lost eligibility.

You can only take advantage of the self-payment option:

- Once each calendar year,
- If you're short up to 60 work or reserve bank hours, and
- If you have established initial eligibility.



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If you qualify for the self-payment option, a separate notice containing instructions and the self-payment amount will be included with the packet of information you receive about continuing coverage under COBRA.

**Please Note:** the self-payment option is not available to participants enrolled on the Basic or Bronze Plans.

## An Example: How the Self-Payment Option Works

Let's assume your work hours plus your reserve bank hours equal 340 hours. This means you're short 20 work hours and you will lose your eligibility for benefits for the next eligibility quarter. You decide to make a self-payment for the remaining 20 hours (360 needed minus 340 balance). Here's how your self-payment amount is calculated:

$$\begin{array}{r} 20 \\ \text{(Hours Needed to Maintain Eligibility)} \\ \times \$7.10 \\ \text{(Current Hourly Rate Specified in Master Labor Agreement)} \\ \hline = \$142 \\ \text{(Your Self-Payment Amount)} \end{array}$$

This self-payment amount is much less expensive than a normal monthly COBRA premium payment. If you do not earn active eligibility following a quarter in which you self-paid, you will be allowed to continue coverage under COBRA.

### CLARIFICATION ON TRANSITIONING FROM THE BRONZE OR BASIC PLAN TO THE ACTIVE PLAN (Gold) (EFFECTIVE JULY 1, 2018 – For Apprenticeship)

Certain collective bargaining agreements require contributions to the Active Plan once you reach a specified "level" (as defined in the agreement). Effectively, this means Apprentices indentured July 1, 2018 or later who reach level 3 as well as Foreman. If your employer is subject to an agreement containing this language, your eligibility for the benefit offerings available through the Active Plan apply with the first eligibility quarter following employer contributions to this Plan (subject to the Trustees' approval). Any reserve bank balance counts toward the eligibility and benefit offerings of the Active Plan. If you reach the specified level as defined in the agreement, you will receive additional information from the Administrative Office at that time. Participants already enrolled in a Gold level plan will not be affected with this change.



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## **NEW DEFINITION OF TOTAL DISABILITY UNDER THE LONG TERM DISABILITY (LTD) PLAN (EFFECTIVE APRIL 1, 2018)**

The Plan considers you totally disabled if you are not able to engage in any substantial gainful activity because of a medically determinable physical or mental impairment that is expected to either result in your death, or to continue for at least 12 months.

The Plan accepts the following as proof of your total disability when you first apply for Long Term Disability (LTD) benefits:

- A Disability Award from the Social Security Administration (SSA), or
- A written opinion by an Independent Review Organization (IRO) that is accredited by the Utilization Review Accreditation Commission (URAC).

## **NEW ONE-TIME SUPPLEMENT TO A RESERVE ACCOUNT (EFFECTIVE NOVEMBER 1, 2017 THROUGH OCTOBER 31, 2018)**

To help you maintain your eligibility, your reserve account is increased by up to 200 hours if:

- You are working for a Contributing Employer under a collective bargaining agreement that specifies a maximum (35 or less per week) on reported hours for which contributions are owed, and
- The additional hours do not cause the total hours in your reserve bank to exceed the maximum required for two eligibility quarters.

The additional hours are credited to your reserve bank with the first hour you work under such a collective bargaining agreement on or after November 1, 2017.

## **NEWLY ELIGIBLE PARTICIPANTS MAY SELECT FEE FOR SERVICE MEDICAL PLAN (EFFECTIVE AUGUST 1, 2018)**

The Plan has been amended to permit newly eligible participants to select the Fee for Service Medical Plan starting August 1, 2018.



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## NEW LIFE INSURANCE COMPANY (EFFECTIVE JANUARY 1, 2018)

On January 1, 2018, MetLife replaced Voya Financial as our life insurance company. MetLife provides life insurance for you and your covered dependents, as well as accidental death and dismemberment insurance for you.

This change does not require any action from you. However, please make sure your beneficiary designation is up-to-date. If you need to change your beneficiary:

- Go to <http://carpenterssw.org/media/1006/beneficiary-form-new.pdf>
- Print the "Designation of Beneficiary Form"
- Submit your completed form to the Administrative Office

If you need help or have questions, contact the Administrative Office at (800) 293-1370 or (213) 386-8590.

### A Note About ComPsych

Voya Financial previously offered you access to an Employee Assistance Program (EAP) counseling service managed by ComPsych. With the move to MetLife, the ComPsych EAP program is no longer available.

As always, if you or your covered dependents need professional counseling or treatment for issues such as stress, anxiety, depression, grief/loss, alcohol or substance abuse, contact your primary care physician for guidance. You can also make an appointment with a network mental health and substance abuse provider (see your medical plan ID card for information on how to locate a network provider or contact the Administrative Office for help).

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If you have any questions about this notice, visit the Trust's website at [www.carpenterssw.org](http://www.carpenterssw.org). Or, contact the Administrative Office at (800) 293-1370 or (213) 386-8590.

Sincerely,

THE BOARD OF TRUSTEES

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications (SMM) to the Plan and we are advising you of these Plan changes within 60 days of the adoption of the Plan changes. Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions regarding these Plan changes, contact the Administrative Office.