

OPERATING ENGINEERS TRUST FUNDS

I.U.O.E. LOCAL 12 HEALTH & WELFARE / PENSION / VACATION / TRAINING

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November 2017

Health & Welfare Fund Benefit Improvements

The Board of Trustees are pleased to announce three benefit improvements in the Health & Welfare Fund. Each of these changes were made in response to member needs and issues.

New Eligibility Buy-Up Provision

For most members participating in the Health & Welfare Fund, eligibility is initially earned and continued based on working at least 200 hours in a calendar or Qualifying Work quarter. For one reason or another, every quarter there are a few members that fall short of continuing or renewing their eligibility by just a few hours. The alternative has been either to buy very expensive COBRA continuation coverage from the Fund, or go uninsured for the quarter hoping to make 200 hours the next quarter.

The Board of Trustees discussed this problem and agreed to amend the Plan to allow members who fall short of the 200-hour eligibility requirement by 50 or fewer hours, to buy-up the shortfall at the same hourly contribution rate as his or her employer would have paid (\$11.45 in California and \$11.55 in Nevada). For example, if a member only worked 180 hours in a calendar quarter in California, he or she could pay \$229.00 (20 hours X \$11.45) to the Fund and continue their coverage for the next quarter.

This change will be effective beginning with the October, November, December, 2017 Work Quarter that results in eligibility during the February, March, April, 2018 Eligibility Quarter (see the next page for a summary of how the Work and Eligibility Quarters operate).

The Fund Office will automatically offer this option to every member, each quarter who falls short of continuing their eligibility by 50 or fewer hours.

Additional Coverage for Oral Exams

The OE Dental PPO Plan currently limits coverage for oral examinations to one every six months. Effective for dates of service on or after January 1, 2017, the PPO Plan will cover additional oral examinations when performed in conjunction with authorized quarterly periodontal treatment **and** when performed by a PPO or panel dentist. The one oral exam every six months limitation will continue to apply to non-PPO dentists.

Eliminated Higher Health & Welfare Fund Premium Rates for Certain Retirees

The Health & Welfare Fund has long had a rule where Retirees earning more than \$30,000 per year in employment would pay a higher self-pay premium rate for their retiree coverage. The Trustees agreed to eliminate this provision effective January 1, 2018.

Active Member Eligibility Rule Summary

Active Member Eligibility is based upon hours reported by employers with an agreement with Local #12 requiring contributions to the Health & Welfare Fund. If you are reported for 200 hours or more during a Qualifying Work Quarter, you are eligible for the following Eligibility Quarter. The Qualifying Work Quarters and Eligibility Quarters are:

<i>Qualifying Work Quarter</i>	<i>Lag Month</i>	<i>Eligibility Quarter</i>
<i>Jan, Feb, Mar</i>	<i>April</i>	<i>May, Jun, Jul</i>
<i>Apr, May, Jun</i>	<i>July</i>	<i>Aug, Sep, Oct</i>
<i>Jul, Aug, Sep</i>	<i>October</i>	<i>Nov, Dec, Jan</i>
<i>Oct, Nov, Dec</i>	<i>January</i>	<i>Feb, Mar, Apr</i>

Note that there is a gap between the Work Quarter and the Eligibility Quarter. This is the lag month when the employer contribution reports are received and processed.

Please contact the Fund Office Member Services Department if you have any questions.

Member Services Department 866.400.5200 M-F 8:30 am to 4:30 pm