



## Connecticut Pipe Trades Health Fund

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### **IMPORTANT NOTICE:** **CHANGE FOR RETIREMENTS ON AND AFTER** **JANUARY 1, 2016, EARLY RETIREE SELF-PAY RATES** **WITH LESS THAN 30- YEARS OF SERVICE**

JANUARY 2016

Dear Active Participant:

As you are aware, the active membership has always subsidized retiree benefits provided by the Health Fund. It has become more and more difficult each year to maintain benefits along with subsidizing retirees, due to medical inflation and the requirements of the Affordable Care Act. Effective for retirement on and after January 1, 2016, the monthly self-payment for retirees not yet eligible for Medicare (typically not yet age 65) will be based on their length of service in the Connecticut Plumbers and Pipefitters Pension Plan, prior to retirement.

For Pensioners with thirty (30) or more years of service (Pension Credits), and for those that retired prior to January 1, 2016 the subsidy will remain at 50%. Each year, we will evaluate the cost of benefits and adjust as necessary the monthly self-pay rates for retirees to maintain the subsidy.

For pensioners that retire on and after January 1, 2016, with less than thirty (30) Pension Credits from the Connecticut Plumbers and Pipefitters Pension Plan, the subsidy is reduced as shown below and the self-payments for the 2016 calendar year are as follows:

<b><u>Years of Service*</u></b> <b><u>at Retirement</u></b>	<b><u>Percentage Paid</u></b> <b><u>by Retiree</u></b>	<b><u>Monthly*</u></b> <b><u>Self-Payment</u></b>
30 or more years	50%	\$330/\$630/\$800
20 but less than 30 years	55%	\$365/\$690/\$870
less than 20 years	60%	\$390/\$740/\$935

\*The rates are for single/ two-person/family coverage not yet eligible for Medicare. The years of service noted in the table above are a retiree's Pension Credits at the time of retirement in the Connecticut Plumbers and Pipefitters Pension Fund. If not a participant in that Plan, the years of service will be based on the years of participation in the Health Fund, upon retirement. The monthly self-payment amounts are rounded to the nearest multiple of \$5.00.

This notice is intended to serve as a Summary of Material Modifications (SMM) for the Connecticut Pipe Trades Health Fund, as required by the Employee Retirement Income

Security Act of 1974 (ERISA). It describes changes to the information presented in your Summary Plan Description (SPD) booklet, prior Plan communications, and any previous SMMs. Please keep it with your SPD and other benefit materials for future reference.

If you are married, please share this information with your spouse. Contact the Fund Office if you have any questions about the benefits described in this announcement.

Wishing you the best of health,

**Board of Trustees**