

# SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS & SURVIVING SPOUSES HEALTH FUND

## SUPPLEMENT No. 22

To: All Participants

From: Board of Trustees

Date: November 2016

Re: No Change in 2017 Monthly Premiums

### **KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION (SPD)**

The Board of Trustees is pleased to announce that there will be no change in the Plan's monthly premiums on January 1, 2017, the start of the new plan year. Premiums have been held at the current levels since January 1, 2016.

Premium amounts are set such that, on average, Pensioners pay 50% of the cost of their coverage; Active Members pay the rest.

Your premium is based on your pension credits, your age at the time of **initial retirement**, your current marital status (as reported to us), and anticipated Medicare status. If you are retired under a Disability Pension, it is assumed that you had attained the Normal Retirement Age of 65 when you retired rather than using your actual retirement age.

To determine your new monthly Premium:

#### **(a) Identify your Score**

Your score is determined by adding your age plus your years of pension credit at the time of initial retirement. Examples of how a score might be counted:

##### Example A

Retirement Age	=	65
Pension Credits	=	<u>35</u>
<b>Total Score</b>	=	<b>100</b>

##### Example B

Retirement Age	=	60
Pension Credits	=	<u>25</u>
<b>Total Score</b>	=	<b>85</b>

***(b) Identify your Category***

Category		Description
1	<b>MM</b>	Member (Pensioner) is <b>Medicare-eligible</b> ; No Spouse is covered under the Plan
2	<b>MMSM</b>	Member (Pensioner) is <b>Medicare-eligible</b> ; covered Spouse is <b>Medicare-eligible</b>
3	<b>MMSN</b>	Member (Pensioner) is <b>Medicare-eligible</b> ; covered Spouse is <b>Not Medicare-eligible</b>
4	<b>MN</b>	Member (Pensioner) is <b>Not Medicare-eligible</b> ; No Spouse is covered under the Plan
5	<b>MNSM</b>	Member (Pensioner) is <b>Not Medicare-eligible</b> ; covered Spouse is <b>Medicare-eligible</b>
6	<b>MNSN</b>	Member (Pensioner) is <b>Not Medicare-eligible</b> ; covered Spouse is <b>Not Medicare-eligible</b>

***(c) Use your Score and Category to determine your monthly premium rate.***

**Pensioner Premium Rates Effective January 1, 2017**

Category	Range Class						
	A	B	C	D	E	F	G
	100 +	95 - 99	90 - 94	85 - 89	80 - 84	75 - 79	< 75
<b>MM</b>	\$112	\$112	\$112	\$112	\$128	\$149	\$172
<b>MMSM</b>	\$112	\$112	\$136	\$166	\$208	\$242	\$280
<b>MMSN</b>	\$158	\$221	\$285	\$348	\$435	\$506	\$585
<b>MN</b>	\$282	\$282	\$282	\$303	\$378	\$440	\$509
<b>MNSM</b>	\$282	\$282	\$285	\$348	\$435	\$506	\$585
<b>MNSN</b>	\$282	\$282	\$331	\$405	\$506	\$589	\$681

The monthly premiums for the covered surviving spouses will remain at **\$140.00** per month. This amount is subject to increase in the future.