

July 13 , 2015

### **IMPORTANT ANNOUNCEMENT**

TO: All Contributing Employers Remitting Health & Welfare Contributions on Behalf of Non-Bargaining Employees

FROM: Board of Trustees

RE: Non-Bargaining Employee Termination

We wish to make an announcement about a change to the Rules of Eligibility for Non-Bargaining Employees with respect to Plan A or Plan B group health coverages.

Presently, when a non-bargaining employee terminates employment existing group health coverage for the non-bargaining employee and their dependents, if applicable, under Plan A or Plan B will continue through the month of coverage correlating to the last month for which hours were reported on their behalf.

For example, if the last month of hours reported was for May 2015 then it is likely coverage would continue through August 2015. For a terminated non-bargaining employee whose coverage had yet to take effect then they would be entitled to any month(s) of coverage correlating to the hours reported on their behalf, if any.

**Please be advised that for any non-bargaining employee who was hired on or after August 1, 2015, coverage in Plan A or Plan B for the non-bargaining employee and their eligible dependents, if applicable, will terminate as of the employee's last day of employment with a contributing employer.**

However, it should be noted that such a termination would constitute a COBRA qualifying event. Thus, it is possible the participant or their covered dependents may elect to maintain coverage following termination from this Plan.

OVER

With regard to hours and contributions that have been remitted on a terminated non-bargaining employee's behalf, which would otherwise have been applicable to coverage for any month(s) subsequent to that in which the non-bargaining employee's coverage terminated, please pay careful attention to the following criteria pertaining to a **possible refund of contributions**:

1. In the event a non-bargaining employee's employment terminates for any reason prior to their initial date of coverage then contributions for all hours reported on their behalf may be refunded upon written request (mail, fax or email) by the contributing employer; and
2. For any non-bargaining employee hired by a signatory employer on or after August 1, 2015, upon the Trust Office being formally notified in writing (mail, fax or email) no later than five (5) business days after the non-bargaining employee's termination of employment, contributions for any hours reported on their behalf that are applicable to coverage for any calendar month(s) following that in which the non-bargaining employee's coverage was terminated may be refunded to the contributing employer. However, should the non-bargaining employee's termination of employment be reported to the Trust Office later than five (5) business days after their date of termination there shall be no refund of contributions to the contributing employer even though their former non-bargaining employee's coverage will have terminated under the aforementioned rules..

#### **IMPORTANT NOTICES:**

1. **IN THE EVENT THE TRUST OFFICE IS NOT PROPERLY INFORMED OF A NON-BARGAINING EMPLOYEE'S TERMINATION OF EMPLOYMENT IN WRITING WITHIN FIVE (5) BUSINESS DAYS THERE WILL BE NO REFUND OF UNUSED CONTRIBUTIONS.**
2. **ALL SUCH REFUNDS WILL BE SUBJECT TO AN OFFSET FOR ANY CLAIMS OR PREMIUM/SERVICE FEES PAID BY THE TRUST THAT CANNOT BE RECOVERED .**

Should there be any question relative to the above please contact the Trust Office (x-310).

Thank you.