



# Connecticut Carpenters Health Fund

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## **Important - Retiree Contribution Rate Increases Effective July 1, 2015**

To: All Self-Pay participants on Medicare Supplemental and Non-Medicare plans.

The Trustees of the Connecticut Carpenters Health Fund (Fund) and their professional advisors meet on a periodic basis to discuss costs and possible rate changes. Over the last 9 years the monthly cost of Retiree coverage has not increased nor exceeded the 50% “subsidy” threshold which was adopted by the Fund’s Trustees in 2006. In general terms, the subsidy means that the Fund *itself* can cover up to half of the Fund’s overall Retiree costs. At the May 2015 Trustees meeting, the Fund’s professionals reported that the 50% subsidy threshold would be exceeded as of July 1, 2015. Over the same 9-year period, the hourly contribution rate for active carpenters increased \$4.04, from \$5.45 to its current level of \$9.49 (which was effective May 4, 2015).

We realize any increases for those on fixed incomes can be difficult. However, due to the rising costs of healthcare and the 50% subsidy threshold, the Fund’s Trustees adopted increased Retiree Monthly Contribution Rates at their May 2015 meeting. Please be advised effective **July 1, 2015** the monthly cost: (a) of the Non-Medicare plan will increase \$35, from \$675 to \$710, (b) of the Medicare Supplemental plan will increase \$15, from \$330 to \$345, and (c) for a retiree in the Medicare Supplemental plan with an eligible spouse/children in the Non-Medicare plan will increase \$35, from \$675 to \$710.

If you currently have your Retiree Monthly Contribution deducted from your monthly Annuity or Pension checks, you do not need to take any action unless your monthly benefit is not enough to cover your new medical deduction amount as outlined above. We will notify you via a separate notice if you are in this category. Also effective July 1, 2015, all monthly payments will automatically be processed at the new rate. Payment coupons with the new rate will be mailed to participants that send their Retiree Monthly Contribution payment directly to the Fund Office.

Finally, if you choose to terminate your Fund health coverage, please be advised that once you make such a decision you will not be eligible for Fund health coverage in the future. For those participants on the Non-Medicare plan please remember effective January 1, 2014, federal law (the Affordable Care Act) requires that each individual maintain qualifying health care coverage (known as “minimum essential coverage” or MEC) for each month, qualify for an exemption, *or pay a tax penalty when filing his or her federal income tax return*. This is commonly known as the “individual mandate.” An election to terminate your Fund health coverage may subject you to this tax penalty, although other health coverage options may be available to you (such as through the federal Marketplace, or Connecticut’s Marketplace, which is Access Health CT). The contact information for the federal Marketplace is [www.HealthCare.gov](http://www.HealthCare.gov), and for Access Health CT is [www.accesshealthct.com](http://www.accesshealthct.com), 1-855-805-HEAL (1-855-805-4325) / TTY: 1-855-789-2428.

If you have any questions on the new rates or the payment process, please call the eligibility department at (203) 281-5511 or (800) 922-6026 extension 641.

Deborah L. Palmieri, Health Fund Administrator, May 2015