

The Fund Office Report

Important News About Your Employee Benefit Programs in the
Construction Trades Branch of Steamfitters' Local 638

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2020 Tax Forms

The following tax forms, W-2, 1099-R, and 1099-M will be mailed by January 31, 2021 as required by law. If you have any questions, please feel free to contact the Fund Office at (212) 465-8888, extension 234.

Member Self-Service Link

You can log on with your username and password and explore the Steamfitters' secured website, including the features found below!

Secure Messaging—Have a question? Just pick a topic, type your message and hit send. A Fund Office staff member will message you back as soon as possible.

You can view documents, all disbursements, account balances, work history and eligibility.

You can also upload documents, such as birth or marriage certificates, add dependents and designate beneficiaries, submit benefit claims electronically, calculate retirement estimates as well as add banking information in order to receive your benefit disbursements via direct deposit. Just go to www.steamfitters.com and select Construction Trades branch or Metal Trades Branch and click on "Member Login".

ACTIVE & NON-MEDICARE RETIREES

2021 Out-of-Pocket Maximums

The Patient Protection and Affordable Care Act requires that health plans must accumulate member and dependent out-of-pocket (OOP) expenses each year. If your OOP expenses exceed the individual or family limit listed below, your future co-payments for the benefit type you exceed will be waived for the balance of that calendar year. Please note that only co-payments for our hospital, medical and prescription drug coverage are considered OOP expenses for the purpose of our OOP maximums.

The annual OOP maximums for the Welfare Fund starting January 1, 2021 are as follows:

- Empire BlueCross (hospital and medical) Individual: \$4,900 Family: \$9,900
- Express Scripts (prescription drugs) Individual: \$3,650 Family: \$7,200

ACTIVE & NON-MEDICARE RETIREES

2021 National Formulary Update



The Express Scripts National Formulary has a number of additions to its list of excluded drugs or supplies effective January 1, 2021. The very few number of participants or dependents that were effected were notified in November and a choice of replacement products were provided to them and their physicians.

For the 2021 National Preferred Formulary Exclusions please go to <https://www.express-scripts.com/2021drugs>.

Security Benefit Fund: Housing Benefit

The Housing Benefit can be used for certain costs associated with the purchase of a residence, for the initial costs associated with a rental and for costs to prevent foreclosures or eviction, as long as the residence is a primary residence and is located within **150 miles** of the Fund Office.

Costs or fees related to the purchase of a primary residence that are eligible under this benefit include, but are not limited to, the following: loan originations, loan discounts, appraisals, credit reports, lender's inspections, mortgage insurance applications, tax services, flood checks, document preparations, title searches, title examinations, title insurance binders, attorney fees, title insurance, governmental recordings, state taxes, and surveys. **You must apply for and receive this benefit prior to the closing.**

Documentation supporting closing costs or fees may include a signed contract of sale, mortgage application, Good Faith estimate, legal documents pertaining to the construction of a new home, copy of rental lease, a letter from the real estate company detailing the lease arrangements, and/or any other documents requested by the Trustees. All documents must be in your name or your spouse's name only.

The initial costs related to a rental may include the first and last month's rent, security deposit, and broker's fees or commissions, if any. When applying for initial rental costs the participant must submit a lease with a future effective date. The Fund may not process the claim for initial costs associated with a rental as a reimbursement once these costs have already been paid. **A participant may only utilize the initial costs associated with a rental benefit on one (1) occasion during a calendar year.**

If a participant is applying for this benefit to prevent "eviction from or foreclosure on their principal residence" they will only be allowed to be paid **twice per calendar year from the Security Benefit Fund or the Supplemental Retirement Plan, or a combination of the two plans.** The participant is required to document proof of residence and that they are at least 3 months behind in your rent, mortgage payments, or property taxes. A current bank statement or notice of default mortgage letter is required documentation for a foreclosure. A current notice of petition of nonpayment of rent or landlord's attorney letter is required for documenting potential eviction. If you have any questions regarding this benefit, please call the Fund Office at (212) 465-8888 menu option 8 for the Disbursements department.

ACTIVE PARTICIPANTS

Disability Status Program

The Disability Status Program (DSP) is designed to help covered active participants maintain eligibility for up to three years maximum if you become unable to work due to a medical condition or injury. The DSP can protect you from losing coverage if your illness or injury prevents you from working. As a prerequisite to the DSP application process, you must be covered in the Welfare Fund at the time of your injury or illness, have at least ten years of service in the Pension Fund (unless you're an apprentice), earned at least one year of credit within the three years prior to your disability event, and have been covered for at least ten of the 40 calendar quarters immediately preceding the date your DSP application is received by the Fund Office.

Under the rules of the Welfare Fund, you must report any injury on or off the job which will affect your ability to work to the Fund Office as soon as possible. Your completed DSP application must be received within thirty (30) days of the accident or illness. You will be required to undergo an independent medical examination as part of the process prior to Trustee approval. If you have any questions about the DSP please call the Welfare Department at (212) 465-8888, menu option 4.



Pension Tax Withholding

Upon retirement, you were given the option to have federal income tax withheld from your benefit payments. Withholding is one way for you to pay a portion of your income tax. Whether you are required to pay federal income tax on your benefit payments depends on your personal situation. Please be aware, as a consequence of not having enough tax or no tax withheld from your benefits, you may be required to pay estimated taxes during the year or a tax penalty at the end of the year. Your decision on withholding is an important one and you may wish to discuss it with a qualified tax advisor.

You may change your tax election at any time. The change to your tax elections would be placed into effect on the first of the month following receipt of your completed W-4P form.

***Important - New York State income tax can now be withheld from your monthly pension benefit.**

The IRS has created a page on IRS.gov with information regarding Form W-4P and its instructions, at www.irs.gov/w4-p.

For New York State Income Tax Withholding, you may download the form and its instructions, at https://www.tax.ny.gov/pdf/current_forms/it/it2104p_fill_in.pdf.

You may also contact the Fund Office to obtain these forms, at (212) 465-8888, choose menu option 3 for the Pension Department.