

The Fund Office Report

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

The Steamfitters' Industry Fund Office, 27-08 40th Avenue, 2nd Floor, Long Island City, NY 11101-3725
Telephone: (212) 465-8888 E-mail: FundOffice@steamny.com Website: www.steamfitters.com

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Retirement Seminar



A Retirement Seminar will be held on Saturday, September 28, 2019 at the LaGuardia Marriot in East Elmhurst Queens, New York. The event is sponsored by the Steamfitters' and Service Fitters' Industry Promotion Funds in conjunction with the Steamfitters Union, Local 638. Invitations will be sent to participants who are eligible for retirement or nearing retirement eligibility. Informative presentations will be made by Fund Office administration, Social Security and more. Additionally, Fund Office representatives will be present to answer any and all of your benefit questions. Invitations will be mailed in July so keep an eye out and please respond as soon as possible.

New Program for Migraine Headache Sufferers



Express Scripts has announced the launch of its new **SafeguardRx[®] Migraine Care Value Program** which began April 1, 2019. The program is aimed at helping patients achieve better outcomes and experience fewer migraines with a value-based design to assist plan sponsors covering new, expensive treatments.

The program will focus on preventative therapies, which are playing a greater role in migraine treatment with the very recent availability of a new class of drugs: calcitonin gene-related peptide (CGRP) inhibitors. The use of CGRP inhibitors will require a Prior Authorization.

Most patients take medications to make a migraine go away after it has started. The goal of this new program is to help frequent migraine sufferers prevent their migraine from coming on at all. Through the clinical care provided through this new Migraine Care Value Program, Express Scripts specialist pharmacists in their Neuroscience Therapeutic Resource Center will identify patients using high amounts of acute migraine treatments, and work with them and their physician to move them to an appropriate treatment. A patient must experience at least four migraines a month to qualify for CGRP inhibitors.

While not all patients with migraines require CGRP inhibitor therapy, for those who meet the clinical guidelines for the therapy, neuroscience specialist pharmacists will show patients how to properly store and use the self-injected treatments. Under this program, patients on the preventative therapy will also have access to pharmacists to ensure medication adherence and avoid migraine triggers.

CGRP inhibitors can be life-changing for people with frequent migraines. The SafeGuardRx[®] solutions has pioneered an evidence-based approach that will now help migraine sufferers receive the best medication and specialized care to enable them to lead full and productive lives.

Important Changes to your Retirement Plan



The Trustees of the Supplemental Retirement Plan continuously look for ways to support and enhance the investment options available to you through John Hancock Retirement Plan Services. Effective May 31, 2019, a new investment option was added to the Plan: **JPMorgan SmartRetirement 2060 Fund (JAKIX)**.

If you *defaulted* to the JPMorgan SmartRetirement 2050 Fund and your year of birth is 1991 or after, your future investment election and existing balance was transferred to the JPMorgan SmartRetirement 2060 Fund. If you *actively elected* the JP Morgan SmartRetirement 2050 Fund, you will not be impacted. New participants born in 1991 or after, that do not elect an investment option at enrollment, will be automatically defaulted into the JPMorgan SmartRetirement 2060 Fund. If you have any questions, please contact the Pension Department at (212) 465-8888 extension 252 or contact John Hancock at (800) 294-3575. You can also check your account online at www.mylife.jhrps.com.

Medical Management Program

As a reminder, active and pre-Medicare retiree participants and their dependents covered under the Empire EPO program, do not need to receive an inpatient precertification for services provided by an in-network provider. It is the participating network provider's responsibility to attain the precertification. This procedure is valid across the country.



Active and pre-Medicare retiree participants and dependents that use an *out-of-network* provider for hospital, medical, diagnostic, rehabilitative or any other care that is not deemed Emergency Care, will have their claim denied.

If you choose to use an out-of-network provider for part of your care, you remain required to pre-certify any in-network service associated with that care. For example, if you voluntarily use an out-of-network surgeon that requires a stay in an in-network hospital, you must pre-certify the hospital stay or you will be subject to a 50% penalty (up to \$2,500).

Severance Benefit – Security Benefit Fund

The Severance Benefit allows you to withdraw a substantial amount from your Security Benefit Fund account. Since the inception of the Severance Benefit Fund, we are approaching \$90 million in benefit payments!

You are first eligible to apply for the severance benefit after no contributions have been made to this, or any of the related Steamfitters' Industry Funds, for six consecutive months. You have two years from your eligibility date to apply for your severance benefit, provided you do not return to work in the industry. An "Application for Severance Benefit" must be completed.

Pursuant to current IRS guidelines, effective July 1, 2019, the severance benefit will no longer be available in quarterly payments. The severance benefit can only be paid to you in a lump sum. As always, no payment can be made beyond the two year application period. The maximum allowed total benefit will be the larger of twice your hourly and vacation wages as a steamfitter in the 12 months prior to your severance from the industry or the amount such wages would have been had you worked the full year.

If you are eligible for a severance benefit and you do not apply in the two year period, your application period will expire. In order to again be eligible for the severance, you must return to work in the industry for a minimum of 750 hours. Once you have met this requirement, you will be eligible for the severance after six consecutive months of no contributions as described above.

If you have already received your severance benefit, you may be eligible for a second severance benefit. To be eligible for a second severance benefit, you must have five calendar years in which you have worked a minimum of 750 hours in each year. You would then be eligible for a second severance benefit under the rules described above.

The severance benefit is a taxable income and is subject to all applicable withholding taxes and will be reported to you and the tax authorities on Form W-2 at year end.

Disability Status Program

ACTIVE PARTICIPANTS

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.



Retiree Health Coverage & Medicare Part B

If you are covered in the Welfare Fund when you retire on a regular or disability pension, you, your spouse and any dependent children must enroll in Medicare Part B **as soon as you become eligible**. If you, your spouse or dependent children do not enroll in Part B when it is initially available, **there will be no benefits** available from the Welfare Fund for hospital, medical or prescription drug coverage. In addition, you will be responsible to repay any benefit expenses inappropriately expended.

Although it is discussed at the bi-annual Retirement Seminar, reviewed at great length at each individual pension interview, described in all retirement printed material, explained in your personalized Welfare Fund retirement letter and included in the Welfare Fund SPD benefit booklet with its own section, occasionally a member neglects to enroll. If you have any questions please call the Welfare Department at (212)-465-8888, menu option 4.

Return to Work Pensioners

If you have earned a minimum of 750 hours in calendar year 2019 you are eligible for an additional year of Pension credit. An additional Pension credit for 2019 becomes payable effective February 1, 2020 at the earliest. To receive an application please contact the Pension Department at (212) 465-8888, menu option 3. Your application must be submitted *at least 30 days prior* to your benefit effective date. For example, if your effective date is February 1, 2020, a valid application must be received no later than January 1, 2020. Please be aware that benefits are *not* paid automatically, you must apply.

