

Southern California  
**IBEW - NECA**  
Trust Funds



# BENEFITS SEMINAR

Your dedicated website:  
[www.scibew-neca.org](http://www.scibew-neca.org)

# IMPORTANT INFORMATION

This presentation was used at the District 6 meeting on September 22, 2010. The presentation contains only highlights of certain features of the Southern California IBEW-NECA Pension and Health Plans. The full details are contained in the documents that establish the Plans provisions. If there is a discrepancy between the wording here and the documents that establish the Plans, the document language will govern. The Trustees reserve the right to amend, modify, or terminate the Plans at any time.

# Agenda

- Pension Benefits
- Retiree Health Plan (RHP)
- Member Assistance Program (MAP)
- New York Life Investment Management (NYLIM)



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# Rehabilitation Plan



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# Status

- The SC IBEW-NECA Pension Plan is in neither endangered nor critical status (commonly referred to as “Green”) for the plan year beginning July 1, 2010.
  - The Plan is considered to be “Green” because the Plan’s funded percentage as of July 1, 2010 is over 80%.



# Rehabilitation Plan Schedules at a Glance

Plan Feature	Plan prior to July 1, 2010	Alternative Schedule 2 Effective July 1, 2010
<b>Percentage of Contributions Benefit Accrual Formula – excludes contributions dedicated solely for funding purposes</b>	1.45% of Contributions up to 42,500 hours and 1.90% thereafter	Same as current plan except excluding \$1.30 per hour in current “off-benefit contributions” and any additional “off-benefit contributions”
<b>Early Retirement Pension prior to age 55</b>	Accrued benefit (no reduction for age).	Actuarially reduced from age 65
<b>Early Retirement</b>	Age 55 minimum age, no reduction	Same as current plan
<b>Disability Pension</b>	Accrued benefit (no reduction for age)	Same as current plan
<b>60-Payment Pre-Retirement Death Benefit</b>	60 payments of Participant’s accrued benefit (no reduction for age).	Same as current plan
<b>Single Life Annuity with Five-Year Guarantee or Certain Feature</b>	Pension benefits payable for Participant’s lifetime with a maximum guarantee of sixty-months of payments	Same as current plan
<b>Social Security Level Income Option</b>	Higher monthly payments prior to age 62/65 with lower benefit after age 62/65 with Social Security benefit expected to commence	Not available
<b>100% and 66 2/3% Joint-and-Survivor Pension</b>	Eligible surviving spouse receives lifetime 100% continuation of Participant’s monthly benefit	Same as current plan
<b>50% and 75% Husband-and-Wife Pension</b>	Eligible surviving spouse receives lifetime 50% or 75% continuation of Participant’s monthly benefit	Same as current plan

# Rehabilitation Plan - Reciprocity

Plan Feature	Current Plan	Default Schedule
<b>Percentage of Contributions Benefit Accrual Formula – excludes contributions dedicated solely for funding purposes</b>	1.45% of Contributions up to 42,500 hours and 1.90% thereafter	1.00% of <u>all</u> Contributions but excluding any additional "off-benefit contributions" under the schedule
<b>Early Retirement Pension prior to age 55</b>	Accrued benefit (no reduction for age).	Actuarially reduced from age 65
<b>Early Retirement</b>	Age 55 minimum age, no reduction	Same as current plan
<b>Disability Pension</b>	Accrued benefit (no reduction for age)	Not available
<b>60-Payment Pre-Retirement Death Benefit</b>	60 payments of Participant's accrued benefit (no reduction for age).	Not available
<b>Single Life Annuity with Five-Year Guarantee or Certain Feature</b>	Pension benefits payable for Participant's lifetime with a maximum guarantee of sixty-months of payments	Lifetime only with no sixty-month guarantee of payments
<b>Social Security Level Income Option</b>	Higher monthly payments prior to age 62/65 with lower benefit after age 62/65 with Social Security benefit expected to commence	Not available
<b>100% and 66 2/3% Joint-and-Survivor Pension</b>	Eligible surviving spouse receives lifetime 100% continuation of Participant's monthly benefit	Not available
<b>50% and 75% Husband-and-Wife Pension</b>	Eligible surviving spouse receives lifetime 50% or 75% continuation of Participant's monthly benefit	Current factor is further reduced to account for removal of 60 guaranteed payments

For an **unreduced and un-deferred** pension benefit, you **MUST** have 42,500 hours.





# Example of Rehabilitation Plan

	Benefits earned prior to July 1, 1996	Benefits earned after June 30, 1996, and prior to the first retirement date	Benefits earned after 1st retirement date
Pension	Payable immediately	Deferred to the earlier of age 55 or the date the participant reaches 42,500 hours.	Deferred to the earlier of age 55 or the date the participant reaches 42,500 hours.
Affected by Rehabilitation Plan	No	Yes	Yes
Why?	This portion of the benefit is protected upon <u>recommencement</u> of benefits. The elimination of the actuarial subsidy are only applicable to benefits which first commenced after June 30, 2010	This portion of the benefit is treated as a separate pension with a new annuity starting date. Since benefits under this portion began after July 1, 2010, the provisions of the Rehabilitation plan will apply. This portion of the pension will be actuarially reduced if commenced prior to age 55.	The provisions of the Rehabilitation plan again apply. This portion of the benefit is deferred to age 55 on an unreduced basis or is payable prior to age 55 on an actuarially reduced basis.

# Early Retirement Pension Benefits

Participant's Age	Alternative Schedule 2	Default Schedule
54	31.9%	31.4%
53	29.0%	28.6%
52	26.5%	26.0%
51	24.1%	23.7%
50	22.0%	21.6%
49	20.1%	19.8%
48	18.4%	18.1%
47	16.8%	16.5%
46	15.4%	15.1%
45	14.2%	13.9%
44	13.0%	12.7%
43	11.9%	11.7%
42	11.0%	10.7%
41	10.1%	9.9%
40	9.2%	9.1%

# Early Retirement Pension Benefits

Participant's Age	Alternative Schedule 2	Default Schedule
54	\$319.00	\$314.00
53	\$290.00	\$286.00
52	\$265.00	\$260.00
51	\$241.00	\$237.00
50	\$220.00	\$216.00
49	\$201.00	\$198.00
48	\$184.00	\$181.00
47	\$168.00	\$165.00
46	\$154.00	\$151.00
45	\$142.00	\$139.00
44	\$130.00	\$127.00
43	\$119.00	\$117.00
42	\$110.00	\$107.00
41	\$101.00	\$99.00
40	\$92.00	\$91.00

# Retiree Health Plan



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You **must** complete an application to determine eligibility for the Retiree Health Plan **and** enroll to participate.



# RHP Eligibility

- To become eligible you must meet the following requirements:
  - Age & Years of Credited Pension Service
  - Health Plan Hours
  - Enrollment & Payment



# Prorated Eligibility Example

Other Agreement per hour contribution rate	IW's Agreement per hour contribution rate	Total Hours worked	Eligibility hours
\$5.00	\$10.00	100	50

Formula

$$5/10 \times 100 = 50 \text{ eligibility hours}$$

# RHP Eligibility

	TOTAL Disability	PARTIAL Disability Retirement	EARLY Retirement (Age 55-61)	NORMAL Retirement (Age 62 and older)	MAINTENANCE Agreement Retirement (Option)
<b>Pension Requirement</b>	<p>You must be receiving a monthly pension benefit payment from the SC IBEW-NECA Pension Plan AND You must meet the requirements below as of the <u>original pension effective date</u>.</p>				
<b>RHP Requirement</b>	No age requirement	Age 50 or older	At least age 55, but must retire before reaching age 65; AND must have at least 25 years of credited service under the SC IBEW-NECA Pension Plan	Age 62 and older	Age 50 when you retired and must have continuity of employment under the Maintenance Agreement to maintain eligibility for the RHP with no lapse of hours greater than consecutive 24
<b>Age &amp; Credited Service Requirement under the SC IBEW-NECA Pension Plan</b>	May retire at any age prior to 65 AND must have 10 vesting service years or 15,000 pension hours	See requirements under "Total Disability Retirement"	You must be at least age 55 and must retire before reaching age 65; AND must have 10 vesting service years or 15,000 pension hours	Must be at least age 65 AND must have accumulated 5 vesting service years.	See requirements under "Early Retirement"
<b>Contributed Hours Requirement</b>	<p>30,000 Health Hours under a CBA requiring a RHP contributions OR 10,500 hours in 7 of the 10 years immediately preceding the date of your retirement under a CBA requiring RHP contributions.</p>				
<b>Payment Requirement</b>	You must make monthly payments or authorize the Trust Fund to deduct the required payment from your monthly pension benefit payment.				



# Must do's of RHP

You must...

- Receive a monthly pension benefit payment from the Southern California IBEW-NECA Pension Plan
- Meet all the Health Plan requirements as of your original pension effective date.
- Make monthly payments or you authorize the Trust Fund to deduct the required payment from your monthly pension benefit payment.

# REMINDER – Check the Rules

- RHP eligibility may change. Check with the Fund Office BEFORE you retire.
  - Normal Retirement
  - Early Retirement
  - Total Disability
  - Partial Disability

# RHP Options

- Kaiser Permanente Senior Advantage
- PacifiCare Secure Horizon
- Medicare Supplement Plan
- Premium Reimbursement



# Current RHP Monthly Rates

	Retiree 55-65	Retiree 55-65 Spouse <65	Retiree 65+ (Medicare A & B)	Retiree 65+ Spouse 65+ (Medicare A & B)	Retiree 65+ (Medicare A & B) Spouse <65
Kaiser Permanente	\$24.00	\$48.00	\$13.00	\$26.00	\$38.00
PacifiCare	\$28.00	\$57.00	\$16.00	\$32.00	\$39.00
Premium Reimbursement*	\$28.00	\$57.00	\$28.00	\$57.00	\$57.00
Medicare Supplement*	N/A	N/A	\$22.00	\$44.00	N/A

\* Prescription drug coverage is provided through Prescription Solution

Premium Reimbursement has a maximum dollar reimbursement of \$312.57/month for one retiree and \$655.44/month for retiree and spouse coverage.

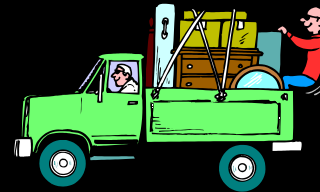
Medicare Supplement is provided to help cover some or all the cost Medicare does not cover, up to an annual maximum of \$2,500 per retiree and \$2,500 per spouse (if applicable).

# Reminder

- Keep the Administrative Trust Funds Office informed of changes:



- Address
- Birth/Adoption of Children
- Death of a spouse or dependent child
- Marriage
- Divorce
- Beneficiary Designations



# Website Announcement

- Website has been enhanced.
  - 24/7 Information Access
  - **Green** and Paperless
  - Update your contact information

***New Features Allow You to Monitor Your Benefits Online***

**Monitor your** Earnings History, Eligibility Information, Personal Data, Dependent Information, Statements - and more!

[Register for Access Now >>](#)



**Register TODAY!**

# Thank you!

Don't forget to visit your dedicated website at [www.scibew-neca.org](http://www.scibew-neca.org)

The website contains current:

- News and announcements
- *Summary Plan Descriptions (SPDs)* with Amendments
- Forms
- Quick access to other links
- and much more...

The screenshot shows the homepage of the Southern California IBEW-NECA Trust Funds website. The header features the organization's name and logos. A navigation bar includes links for HOME, SEARCH, and GO, along with a search input field. Below the navigation bar, there are several news and announcement sections. On the left, there are links for various plan types: BEW LOCAL 11-LA NECA ACTIVE HEALTH, BEW LOCAL 11-LA NECA RETIREE HEALTH, DB PENSION PLAN, and DC PENSION PLAN. The main content area features three news items: 'Full Time Student Eligibility' (dated 08/08/10), 'Retiree Health Plan - Self-Payment Rates Effective 10/1/10' (dated 08/10/10), and 'Grandfathered Status Notification' (dated 08/05/10). On the right side, there are two promotional boxes: one for dependent college students and another for monitoring benefits online. At the bottom right, there is a large 'Attention Retirees' banner.

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HOME SEARCH GO News | LifeEvents | Contact/Trust Info | Login/Register

**BEW LOCAL 11-LA NECA ACTIVE HEALTH**  
BenefitTabs™  
Find Provider  
SPD  
FAQs  
Forms  
Links

**BEW LOCAL 11-LA NECA RETIREE HEALTH**  
BenefitTabs™  
Find Provider  
SPD  
FAQs  
Forms  
Links

**DB PENSION PLAN**  
BenefitTabs™  
SPD  
Plan Document  
FAQs  
Forms  
Retirement Links

**DC PENSION PLAN**  
Plan Document  
Forms  
Retirement Links

**NEWS & ANNOUNCEMENTS**

08/08/10  
**Full Time Student Eligibility**  
Dependent children are covered under the Southern California IBEW-NECA Health Plan (Active only) until the end of the month in which the child reaches age 19. Full-time student status may extend your dependent's eligibility through the end of the month they turn 25.  
Full article »

08/10/10  
**Retiree Health Plan - Self-Payment Rates Effective 10/1/10**  
This is your annual notification of changes to the self-payment rates for Retiree Health Plan ("RHP") coverage and a reminder of the RHP Annual Open Enrollment period.  
Full article »

08/05/10  
**Grandfathered Status Notification**  
This group health plan believes this plan is a "grandfathered health plan" under the

**Is your dependent attending college?**  
Remember to apply for Full-time Student Coverage.  
[Learn more >>](#)

**New Features Allow You to Monitor Your Benefits Online**

**Monitor your** Earnings History, Eligibility Information, Personal Data, Dependent Information, Statements - and more!  
[Register for Access Now >>](#)

**Attention Retirees**

