



PAMCAH UA LOCAL 675



ADMINISTRATIVE OFFICE • ANNUITY • COOPERATION
HEALTH & WELFARE • PENSION • TRAINING • VACATION & HOLIDAY

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PAMCAH-UA Local 675 Trust Funds Frequently Asked Questions

These are summary responses to Frequently Asked Questions related to your Benefit Plans. For more details and answers to other questions you may have, please refer to your Summary Plan Descriptions (SPDs) or contact the Administrative Office.

A. Pension Plan

1. What does “Vested” mean and when are my Pension benefits “Vested”?

When you are “Vested”, you have a right to a future retirement benefit.

From September 1, 1998, normally you are “Vested” if you accumulate at least 5 years of Credited Service. If you ceased participation in the Pension Plan prior to September 1, 1998, you need 10 - 15 years of Credited Service to be “Vested”, depending on when you worked.

2. When can I begin receiving my monthly Pension benefits?

For the most common forms of available Pensions, the following is when you can begin receiving your monthly benefits:

- At age 50 - reduced Early Retirement Pension, if you earn at least 10 years of Credited Service
- At age 60 - Regular Pension, if you are vested.
- At any age - Service Pension, if you earn at least 25 Benefit Units

3. How is the amount of my monthly Pension benefits calculated?

The amount of your monthly Pension benefits is based on the number of Benefit Units (BU) earned, Benefit Unit Values, the type of Pension that you apply for (Regular Pension, Early Retirement Pension, or Service Pension) and the payment form elected.

Example: If you earn 20 Benefit Units at an average of \$150 Benefit Unit Value, your monthly lifetime benefit would be:

- Regular Pension at age 60 of \$3,000/month (20 BU x \$150)
- Early Retirement Pension between ages 50 - 60 (\$750 - \$2,985 per month, depending on age). **Examples:**
 - Early Retirement Pension at age 55 of \$2,100/month (20 BU x \$150 x 70%)
 - Early Retirement Pension at age 50 of \$750/month (20 BU x \$150 x 25%)

Service Pension

You are eligible for a Service Pension if you earn at least 25 Benefit Units. There is no age requirement to qualify for Service Pension, but early retirement benefit reductions may apply for different time periods. Under a Service Pension, if you are at least age 55, your accrued benefit is not reduced for age. If you are younger than age 55, your accrued benefit is reduced as follows:

If you earned an accrued benefit ...	And you retire early (before age 55) ...
Before September 1, 2018	The portion of your accrued benefit for this period is not reduced for your age – it retains its current formula and value.
Between September 1, 2018 and September 1, 2019	The portion of your accrued benefit for this period is reduced by 2% for each year you are younger than age 60.
On or after September 1, 2019	<p>The portion of your accrued benefit for this period is reduced by 3% for each year you are between age 55 and 60.</p> <p><u>Plus</u></p> <p>Your accrued benefit is reduced by an additional 6% for each year you are younger than age 55.</p>

Example: Here is an example of how a Service Pension would be calculated for a 45-year-old Participant that has 25 Benefit Units. This example assumes a Benefit Unit Value of \$100 after September 1, 2019 for comparative purposes. His accrued benefit is adjusted as shown below:

Time Period	No of Benefit Units	Dollar Value per Benefit Unit	Accrued Benefit	Early Retirement Adjustment Percentage	Adjusted Accrued Benefit
From 9/1/1995 – 8/31/2012	17	\$167.00	\$2,839.00	None	\$2,839.00
From 9/1/2012 – 8/31/2016	4	\$150.00	\$ 600.00	None	\$ 600.00
From 9/1/2016 – 8/31/2017	1	\$130.00	\$ 130.00	None	\$ 130.00
From 9/1/2017 – 8/31/2018	1	\$100.00	\$ 100.00	None	\$ 100.00
From 9/1/2018 – 8/31/2019	1	\$100.00	\$ 100.00	2% for 15 years younger than 60 = 30% reduction [70% of accrued benefit]	\$ 70.00
After 9/1/2019	1	\$100.00	\$ 100.00	3% for 5 years younger than 60 but at least 55 and 6% for 10 years younger than 55 = 75% reduction [25% of accrued benefit]	\$ 25.00
TOTAL	25	—	\$3,869.00	—	\$3,764.00

If the Participant in this example were at least 55 years old (instead of 45), there would be no reduction in benefits and he or she would have received \$3,869.00 as a monthly Service Pension Benefit.

Pension Payment Forms:

When you make the decision to retire you will be asked to choose the form in which you want your pension. The forms of payment available are as follows:

- **Guaranteed 60-Month Pension** – Provides you with monthly payments for your lifetime. If you die before receiving 60 monthly payments, the remaining payments are paid to your surviving spouse or next-of-kin.
- **50% Spousal Pension** – Under this lifetime payment form, your monthly pension benefit is reduced to consider the possibility that the Plan is making pension payments over the course of two lives. When you die, your spouse will receive 50% of your monthly benefit.
- **75% Spousal Pension** - Under this lifetime payment form, your monthly pension benefit is reduced to consider the possibility that the Plan is making pension payments over the course of two lives. When you die, your spouse will receive 75% of your monthly benefit.
- **Level Income** – Under this lifetime payment form, you will receive a higher monthly pension amount from the Plan until age 62 and beginning at age 62, a smaller pension amount for the remainder of your life. The adjustment in your monthly pension amount will be based on your estimated age 62 Social Security benefit.

4. What are the current Benefit Unit Values?

Below are the current Benefit Unit Values:

Time Period	Benefit Unit Value
Prior to 9/1/2012	\$167.00
9/1/2012 – 8/31/2016	\$150.00
9/1/2016 – 8/31/2017	\$130.00
9/1/2017 – 8/31/2019	\$100.00
9/1/2019 – 8/31/2020	\$48.00
9/1/2020 – 8/31/2024	\$100.00

Example: Here is an example of how the formula with the Benefit Unit value increase would apply to a Participant who retires on September 1, 2024 with 30 Benefit Units and no Separation from Covered Employment. Eighteen of those Benefit Units were earned prior to September 1, 2012, four Benefit Units were earned from September 1, 2012 through August 31, 2016, one Benefit Unit was earned from September 1, 2016 through August 31, 2017, two Benefit Units were earned from September 1, 2017 – August 31, 2019, one Benefit Unit was earned from September 1, 2019 – August 31, 2020 and four Benefit Units were earned from September 1, 2020 – August 31, 2024.

Time Period	Number of Benefit Units	Dollar Value Per Benefit Unit	Accrued Benefit
Prior to 9/1/2012	18	\$167.00	\$3,006.00
9/1/2012 – 8/31/2016	4	\$150.00	\$ 600.00
9/1/2016 – 8/31/2017	1	\$130.00	\$ 130.00
9/1/2017 – 8/31/2019	2	\$100.00	\$ 200.00
9/1/2019 – 8/31/2020	1	\$ 48.00	\$ 48.00
9/1/2020 – 8/31/2024	4	\$100.00	\$ 400.00
Total Monthly Accrued Benefit	30	—	\$4,384.00

5. How can I get an estimated calculation of my Pension benefits?

Contact the Administrative Office for an estimated calculation of your Pension Benefits. An estimate can be provided to you once every twelve (12) months.

6. Am I prohibited from any type of employment/work when I retire?

Although there are a few exceptions, generally your Pension benefits will be suspended if you work anywhere for wages/profit in the Plumbing & Pipefitting Industry. Pension suspension/notification rules related to prohibited employment are complex and can significantly affect your Pension benefits. Any questions or concerns should be addressed with the Pension Fund Administrator.

7. Do I need to pay income taxes on my Pension benefits?

Although most tax preparation professionals report Pension benefits as taxable only for Federal Income Tax purposes, you should consult with your own personal tax professional on this matter.

8. Can I borrow money from my Pension Plan account or use it as collateral for a loan?

No.

9. If I die before retiring will any benefits be paid to my beneficiaries?

If you are vested, benefits will be paid in the following order:

- Your surviving spouse
- Your surviving minor children in equal shares
- Your surviving adult children in equal shares
- Your surviving parents in equal shares
- Your surviving siblings in equal shares
- If there are no survivors above, no benefits are payable

B. Annuity Plan

1. When can I withdraw my Annuity Individual Account Balance?

You can withdraw your Individual Account Balance under “any one of” the following circumstances:

- You are age 65 and no contributions were made to your Individual Account for at least 6 consecutive months
- You are receiving your Pension Plan benefits
- You are entitled to Social Security Disability Benefits
- There were less than 500 hours of contributions to your Individual Account in each of two consecutive fiscal years, and you are not employed in the Plumbing & Pipefitting Industry in the jurisdiction of the Annuity Plan
- There were less than 250 hours of contributions to your Individual Account in a consecutive 6-month period, and you meet the following additional conditions:
 - You exhausted or are not entitled to any State of Hawaii Unemployment Benefits
 - You are not employed in the Plumbing & Pipefitting Industry in the jurisdiction of the Annuity Plan
- If you are on active duty in a branch of the U.S. Armed Services
- If you are a Travel Card Member from another Local Union leaving the jurisdiction of Local 675

2. Do I need to pay income taxes on my Annuity benefit withdrawals?

Because of complex income tax implications, you should consult with your own personal tax professional on this matter.

3. Can I borrow money from my Individual Account or use it as collateral for a loan?

No.

4. Can I withdraw my Individual Account Balance due to financial hardship?

No.

5. Can I designate a Beneficiary to receive my Individual Account Balance in case I die?

Yes. Contact the Administrative Office for a Beneficiary Designation Form.

6. Who will receive my Individual Account Balance if I die without designating a Beneficiary?

If you do not designate a Beneficiary, payment will be made in the following order:

- Your surviving spouse
- Your surviving children in equal shares
- Your surviving parents in equal shares
- Your surviving siblings in equal shares
- Your estate

C. Health & Welfare (H&W) Plan

1. Why is the H&W Plan considered a self-funded plan?

The H&W Plan is a self-funded plan because all health claims are paid directly from H&W Fund monies as compared to having benefits fully insured (by paying insurance premiums). HMSA, OptumRx, HDS and VSP administers and process the claims, but the H&W Fund pays all claims and assumes the direct risk of payment. Having a self-funded plan has provided the H&W Plan with significant savings that is passed on to the members through reduced out-of-pocket expenses and richer benefit coverage than would have been provided with a fully insured plan.

2. What is an Urgent Care Center/Clinic and when should I go?

Urgent Care Centers/Clinics are medical facilities that assist patients with a non-life threatening illness or injury that occurs outside of a physician's regular office hours. Urgent Care offers an alternative to waiting hours in a hospital emergency room.

Urgent Care handles medical conditions that are not considered emergencies but still require immediate care. Examples of such conditions include minor burns, muscle sprains and strains, coughs, colds, sore throats, ear infections, fever, skin rash and mild asthma.

You can find nearby Urgent Care Centers/Clinics online. Here are a few online websites:

www.aaucm.org (Urgent Care Centers)

www.findurgentcare.com (Urgent Care Centers)

www.cvs.com/minuteclinic (In-Store/Retail Clinics - Longs/CVS)

Immediately call 911 or go to an Emergency Room for medical events capable of causing loss of life or limb. For example, chest pain (thought to be a heart attack), abdominal pain (may be appendicitis), signs of stroke, concussion, broken limb...

3. Does the plan provide coverage for physical exams?

Yes. The Plan provides coverage for physical exams as well as cholesterol and glucose tests.

4. Is my spouse required to obtain medical/drug coverage from his/her employer?

Yes, all working spouses are required to obtain primary medical/drug coverage offered by their employers. The H&W Plan will provide:

- Secondary medical and prescription drug coverage for working spouses
- Vision and Dental coverages for working spouses
- All coverages for eligible dependents (other than working spouses)

Important Note: If your working spouse declines medical/drug benefits available from his/her employer, your entire family will lose all H&W Plan coverages (medical, drugs, dental, vision) for at least 3 months.

5. Why does my spouse have to take medical/drug coverage from the employer if we have family coverage through the H&W Plan?

Taking medical/drug coverage from the spouse's employer reduces the financial burden placed on your self-funded H&W Plan by shifting the majority of the costs to the employer's insured plan. This helps to maintain the financial health of the H&W Plan so that excellent benefits continue for all Members and their families now, and during their retirement.

6. I just started work. When am I eligible for H&W Plan coverage?

Abbreviated coverage (medical-only coverage for you) starts on the second calendar month after you work at least 120 hours.

Full coverage (includes medical, prescription drug, dental and vision) for you and your family starts the first day of the second calendar month after a three-month period in which you work at least 360 hours.

7. How long will my H&W Plan coverage last if I am unemployed?

The Plan will credit you with 35 hours for each week you're receiving unemployment compensation, up to a maximum of 840 hours during any six consecutive months. To receive unemployment credits, you must take the following steps:

- **Sign In** to the Union's "Out of Work List" and remain available for work in the jurisdiction of the UA local 675
- **Show Proof** that you're eligible to receive unemployment benefits
- Remain current with your Union dues.

8. What are my options if my H&W Plan eligibility is terminating soon?

- You can elect to temporarily continue your coverage under COBRA.
- A retiree and spouse who are enrolled in Medicare can re-enter the H&W Plan by enrolling in the H&W Re-entry Plan. To re-enter the Plan, you and/or your spouse must:
 - ✓ Enroll in Medicare Part A and Part B.
 - ✓ Enroll in all Plan lines of coverage (medical, prescription drug, dental and vision benefits).
 - ✓ Pay the required monthly payments to the Fund in the amount determined by the Board of Trustees.
 - ✓ Prior Union Members must maintain Union membership and be in Good Standing.
 - ✓ Have no lapses in coverage. A Participant and/or Spouse must be enrolled in the Retiree Plan for a minimum of 12 months to be eligible for enrollment in the Re-entry Plan.

9. Is there an open enrollment period?

No. However, please notify the Administrative Office of any life events such as getting married or divorced, having a baby or adopting a child, or a death in the family as soon as possible.

10. What information does the H&W Plan need to add my new spouse to the Plan? When will he/she be covered?

As soon as possible, the following must be furnished to the H&W Plan:

- Copy of marriage certificate
- Copy of Social security card
- Copy of birth certificate
- Information for dual medical coverage

Your spouse will be covered on the first day of the month following date of marriage.

11. What information does the H&W Plan need to add coverage for my newborn baby? When will he/she be covered?

As soon as possible, the following must be furnished to the H&W Plan:

- Full name, birthdate, and gender
- Copy of Social Security card when available
- Copy of birth certificate when available

Your newborn baby will be covered from date of birth.

12. How long can my child stay on the H&W Plan?

Your child can remain on the H&W Plan up to age 26.

13. As a Pensioner, how long will my spouse and I be eligible for Retiree H&W Plan coverage? How much do I have to pay for coverage?

Retirees are eligible for H&W Plan coverage for 10 years from the date of retirement. Their spouses are also eligible for coverage during this period, unless the Retiree dies. If the Retiree dies prior to having 10 years of coverage, his/her spouse will be eligible for coverage to the end of the 10-year period.

The cost for H&W Plan coverage for Retirees and their spouses varies, depending on retirement age, years of service, and Medicare enrollment.

14. What are the major differences in H&W Plan coverage for Actives compared to Retirees?

- Retirees have a \$2,000.00 plan year maximum for dental benefits, while Actives have no maximum
- Only Actives have orthodontic benefits
- Only Actives have Employee and Spouse life insurance benefits
- Only Actives have Temporary Disability Insurance (TDI)

15. I'm a Retiree turning 65 soon. Do I have to apply for Medicare?

If you are currently receiving Social Security benefits, then your Medicare card will be automatically mailed to you 3 months before your 65th birthday.

If you are not receiving Social Security benefits, please call the Social Security Administration 3 months prior to your 65th birthday and enroll in Medicare parts A and B.

16. **What can I do to keep medical costs down so the Trust Funds can continue to provide or improve medical coverage for all participants?**
- Have a physical exam performed annually
 - Use Urgent Care Centers/Clinics for non-emergency medical conditions
 - Opt for generic prescription drugs instead of brand name medication
 - Obtain your prescription drugs via mail-order through Safeway
 - Spouses are required to enroll in primary medical/drug coverage of their employers
 - Invest in the health of yourself and your loved ones
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