

NORTHERN CALIFORNIA PIPE TRADES TRUST FUNDS FOR UA LOCAL 342

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June 2023

TO: UA Local 342 Members who are Non-Disabled Retirees under the Northern California Pipe Trades Pension Plan

FROM: The Board of Trustees

**RE: Temporary Special Needs Provision for Limited Duration extended through December 31, 2023
UA Local 342 Members who are Non-Disabled Retirees Return to Work with Credentials/Certifications in Industrial Refinery Experience Only**

The Board of Trustees of the Northern California Pipe Trades (“NCPT”) Pension Plan (“Plan”), at the request of UA Local 342, has determined that the serious shortage of skilled employees for Covered Employment with **valid credentials/certifications in Industrial Refinery Experience** required by certain Contributing Employers still exists. Due to this special need and unique circumstance, the Board of Trustees has extended the limited duration that **UA Local 342 Members who are Non-Disabled Retirees with Industrial Refinery Experience who retired at least 30 days prior to dispatch and who possess valid credentials/certifications in skills required by Contributing Employers, including a current High Hazard Facilities Training (“HHFT”) and Transportation Worker Identification Card (“TWIC”)** will be permitted to be dispatched to jobs within the jurisdiction of UA Local 342, without incurring a suspension of their Retirement Benefits. However, the Plan’s Suspension of Benefits Rules would continue to apply to any Retirees other than those returning to work under this Temporary Special Needs Provision. **Refer to the Plan’s Summary Plan Description and Suspension of Benefits Notice for more details about the Plan’s Suspension of Benefits rules.**

The Board of Trustees has determined that the shortage of Industrial Refinery Experience skilled employees for Covered Employment who possess valid credentials/certifications in Industrial Refinery Experience skills required by Contributing Employers should only exist through December 31, 2023. Should an approved Retiree working under this Temporary Special Needs Provision fail to terminate employment when bumped, or by December 31, 2023, his/her Retirement Benefit will be suspended as outlined in the Suspension of Benefits Notice and, if applicable, he/she may permanently lose any Retiree Health and Welfare Benefits.

Employment Procedure: For Retirees allowed to temporarily return to work in certain limited situations when there is a shortage of skilled employees, Employment Procedure provisions, pursuant to Article II, Section 14 of the Master Labor Agreement, dated July 1, 2021 – June 30, 2024, are as follows:

- Eligible Retirees will be allowed to register on a temporary “A-1” List.
- Registration for dispatch will be by classification and/or specialty, just as it is for the “A” List.
- Dispatch will be determined by date of registration within the appropriate classification or specialty, just as it is for “A” List registrants.
- The “Layoff Order” and “Bumping” provisions of Article II, Sections 21 and 21-A will be temporarily modified for the duration of the Temporary Special Needs Provision. Section 21 is modified to require that no “A” List employee shall be laid off until all “A-1” List employees have been laid off or terminated. Section 21-A is modified to allow any “A” List registrant to bump an “A-1” List employee, regardless of when the “A-1” List employee was dispatched, and regardless of the period of time that an “A” List employee desiring to “bump” has been on the “A” Out-of-Work List. Notice of a desire to bump will be made, in writing, to the dispatch office, to the Individual Employer and to “A-1” List employee sought to be “bumped”. A qualified “bump” will be honored within 48 hours of completion of the notice requirements. In all other respects Sections 21-B, C (except the 60-calendar day provision insulation period), D, and E shall apply to the bumping of “A-1” List employees.

If you are approved to work under this Temporary Special Needs Provision, once you are dispatched, you should immediately notify the Trust Fund Office (“TFO”) at 925/356-8921, ext. 246.

Impact on Pension Benefits: Retirees who qualify under this Temporary Special Needs Provision will not incur a suspension of their Retirement Benefits. **Any Benefit Credits and/or Vesting Credits earned while working under this Temporary Special Needs Provision will not impact/change the type of Retirement you qualified for and elected at the time of your Retirement.**

Impact on Other Pension Plan Benefits: A Retiree who is also receiving a Retirement Benefit from another plan(s) should check the rules of the other plan(s) to ensure that returning to temporary special needs work within the jurisdiction of UA Local 342 will not jeopardize Retirement Benefits under the other plan(s).

Impact on Supplemental 401(k) Periodic Installment Option: Retirees who qualify under this Temporary Special Needs Provision who are under the age of 59 ½ are no longer considered retired and would not be able to continue to receive periodic payments or a lump sum distribution, until such time as they cease working. Retirees age 59 ½ and over who qualify under this Temporary Special Needs Provision will continue to receive their periodic payments.

Impact on Health and Welfare Benefits: If a Retiree works enough hours to establish eligibility under the Active Health and Welfare Plan, once the Retiree ceases work and exhausts his/her Active Hour Bank, if he/she was eligible for Retiree Health and Welfare Benefits, his/her Retiree Benefits will resume and monthly premium deductions, if applicable, would apply. If a Retiree establishes eligibility

under the Active Health and Welfare Plan and was not eligible for Retiree Health and Welfare Benefits, after exhausting his/her Active Hour Bank, he/she may be entitled to COBRA Continuation Coverage. **If a Retiree was not eligible for Retiree Health and Welfare Benefits at the time he/she retired, returning to work under this Temporary Special Needs Provision will not impact your eligibility for benefits.** Refer to the NCPT Health and Welfare Plan Summary Plan Description/Plan Document for more details about eligibility. You can access information such as your eligibility, work history, contributions and other important information using your individual username and password through the NCPTTF ISSI System (“ISITE”) link that is available on our website at www.ncpttf.com.

Retirees with Retiree Health and Welfare Benefits

- You will be allowed to maintain coverage under the Retiree Health and Welfare Plan until you gain Active Health Plan coverage.
- Initial Eligibility requirements for Active Health Plan coverage are waived. After your first dispatch and your Employer reports 130 hours, you may be eligible for Active coverage. You are required to complete a new Active Enrollment/Change Form under your current Health Plan option (Blue Shield or Kaiser).
- If you or any enrolled Dependent has Medicare, once you gain Active Health Plan coverage, Medicare will be secondary payer.
- As a result, Medicare eligible individual(s) enrolled in the **Kaiser Permanente Health Plan will need to immediately complete and timely submit a Kaiser Permanente Senior Advantage Plan (“KPSA”) Disenrollment Form.**
- You will be eligible for all Active benefits in accordance with the Health and Welfare Plan rules.
- *As a reminder, eligibility is skip-month, so 130 hours worked in July will provide September eligibility; therefore, your Retiree Health and Welfare premium deduction would not be due for September.*
- You can accumulate excess hours up to a maximum of 780 hours in a Reserve Hour Bank.
- If you do not have Active Health and Welfare eligibility through hours worked, you may qualify to make Active Subsidized Self-Payments subject to Plan maximums.
- You must notify the TFO once you have ceased working. When you have exhausted Active Health and Welfare eligibility, you must re-enroll in the Retiree Health Plan and will be responsible for payment of Retiree Health and Welfare premiums, if applicable. You will be required to complete a new Retiree Enrollment/Change Form.

In addition, if you or any enrolled Dependent has Medicare, once you re-enroll in the Retiree Health Plan, Medicare will be primary. Medicare eligible individual(s) will need to immediately complete a Blue Shield Medicare Rx Plan Enrollment Form or Kaiser Permanente Senior Advantage (“KPSA”) Plan Enrollment Form.

Retirees without Retiree Health and Welfare Benefits

- Initial Eligibility requirements for Active Health Plan coverage are waived. After your first dispatch and your Employer reports 130 hours, you may be eligible for Active coverage. You are required to complete an Active Enrollment/Change Form.
- You will be eligible for all Active benefits in accordance with the Health and Welfare Plan rules.
- *As a reminder, eligibility is skip-month, so 130 hours worked in July will provide September eligibility.*
- You can accumulate excess hours up to a maximum of 780 hours in a Reserve Hour Bank.
- If you do not have Active Health and Welfare eligibility through hours worked, you may qualify to make Active Subsidized Self-Payments subject to Plan maximums.

You must notify the TFO once you have ceased working. When you have exhausted Active Health and Welfare eligibility, you may be eligible for COBRA Continuation Coverage.

Impact on Social Security/Medicare Benefits: A Retiree that is approved to return to work who is also receiving any type of Social Security Benefits, including Medicare, should contact the Social Security Administration concerning how returning to Temporary Special Needs work and suspension of Retiree Health and Welfare Benefits, if applicable, may impact Social Security/Medicare Benefits. ***Due to various Medicare enrollment provisions and requirements, the Plan does not recommend that a Retiree and/or Retiree’s Dependent(s) with Medicare coverage disenroll from Medicare if a Retiree gains Active Health and Welfare eligibility. If a Retiree and/or Retiree’s Dependent(s) make a change in Medicare enrollment there is a possibility that he/she may not be allowed to immediately re-enroll in Medicare when Active Health and Welfare eligibility ends resulting in a gap in coverage. In addition, upon re-enrollment in Medicare, a Retiree and/or Retiree’s Dependent may be assessed penalties by Medicare that could result in a higher Medicare premium. By maintaining Medicare Coverage, the Plan will coordinate its benefits with Medicare, meaning the Plan will become the primary payer once you resume work and Medicare will be the secondary payer. In addition, by maintaining Medicare enrollment during periods of Active Health Plan eligibility, although Medicare is the secondary payer, your co-payment should be minimal.*** Refer to the Health and Welfare Plan Summary Plan Description/Plan Document for more details.

When you Cease Working Under this Temporary Special Needs Provision: The Retiree must immediately notify the TFO in writing that he/she will terminate or has terminated employment along with his/her termination date. After all Employer contributions are received and processed by the TFO, if applicable, the Retiree’s Retirement Benefits will be recalculated and increased accordingly. In accordance with Plan rules, if a Retiree’s monthly Retirement Benefit is under \$1,000, and is eligible for Retiree Health and Welfare Benefits, he/she does not currently pay a monthly Retiree Health and Welfare Premium. However, if a Retiree’s monthly Retirement Benefit increases to \$1,000 or more when recalculated, he/she will be required to pay a monthly Retiree Health and Welfare Premium.

IF YOU ARE OVER AGE 70.5, YOUR BENEFITS ARE RECALCULATED AS REQUIRED BY LAW.

If you have any questions regarding employment or if you are a qualified Retiree interested in returning to work under this Temporary Special Needs Provision, contact UA Local 342 at 925/686-5880. The TFO will be contacted by UA Local 342 to ensure Retirees are not disabled and meet any other Plan requirements.

If you have questions regarding benefits, or if you need your ISITE login information, contact the TFO at 925/356-8921, ext. 246.