



Electrical Workers Administration and Claims Office

General Welfare, Vacation, Pension & Retirement Savings Funds

28600 Bella Vista Parkway, Suite 1110
Warrenville, IL 60555-1600

Phone (630) 393-1701
Fax (630) 393-3615

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Dear Retiree:

Currently based on the chart below effective July 1, 2022, the new monthly age based self-pay premiums will be for you and your spouse are as follows.

Age-Related Monthly Retiree Self-Payment Rates

Retiree's Current Age	Effective July 1, 2022	
	Per Person	Retiree + Spouse*
55	\$574	\$1,148
56	\$523	\$1,046
57	\$476	\$952
58	\$425	\$850
59	\$374	\$748
60	\$327	\$654
61	\$281	\$562
62	\$234	\$468
63	\$187	\$374
64	\$145	\$290
65 & over	\$38	\$76
Additional Amount per Dependent	\$200	

Your rates will change as you age effective on the first day of the month in which your birthday occurs and every June 1st. Rates will be reviewed annually by the Board of Trustees of the Local 701 Welfare Fund and increased as necessary to keep pace with the cost of providing the coverage. The new rates apply to current and future retirees. They do not apply to disability pensioners or surviving spouse pensions of deceased participants.

* You do not have to pay the aged, based premium for a spouse who is covered by his or her employer-sponsored plan. In that case, the Local 701 Plan will provide secondary coverage for no additional cost to you.

IMPORTANT:

The age-based self-pay amounts above are in addition to the HCP and your payment under the 45,000 hour rule. Your total payment will be calculated as follows:
HCP + 45,000 hour rule amount + age based self-pay rate shown above + \$200 per child

Eligibility Rules for Coverage under the Retiree Health Plan

- 1) You must be receiving an Early, Regular or Disability Pension from the Local 701 Pension Plan.
- 2) You must have been eligible for benefits from the Welfare Plan for a minimum of ten years
- 3) You must have been eligible for benefits from the Welfare Plan for at least three years out of the last five years immediately preceding your retirement.

The Retiree Health Care Premium

There are 3 pieces to the Retiree Health Care premium:

1) Health Care Pension & Supplement

Health Care Pension (HCP) credits accumulated in the Pension Fund until June 1, 1998. A Member receives credit of \$10 for each year of HCP credit (maximum 30 years) towards his retiree health care premium.

Married participants whose spouses are covered under the Welfare Plan receive the HCP Supplement which is equal to the HCP and is payable until the Participant or spouse turns age 65.

2) 45,000 Hour Rule

For service after June 1, 1998, the health care premium is determined based on hours of service in the Welfare Plan. If a member has 45,000 hours, there is \$0 premium due. If his hours are less than 45,000, he pays a pro-rata share of a \$300 premium.

$$\begin{aligned} \text{Retiree Only} &= \$300 \times (1 - (\text{lifetime hrs} / 45,000)) \\ \text{Retiree + Spouse} &= \$600 \times (1 - (\text{lifetime hrs} / 45,000)) \end{aligned}$$

3) Age Based Additional Premium: NEW RATES EFFECTIVE 7/1/2022

Beginning on June 1, 2005, all retirees participating in the retiree health care program pay an additional premium based on the retiree's age. These rates are subject to future change at the discretion of the Board of Trustees. The premium rate changes the month in which the retiree's birthday occurs:

Retiree's Current Age	Retiree Only	Retiree & Spouse
55	\$574	\$1148
56	\$523	\$1046
57	\$476	\$952
58	\$425	\$850
59	\$374	\$748
60	\$327	\$654
61	\$281	\$562
62	\$234	\$468
63	\$187	\$374
64	\$145	\$290
65	\$38	\$76
Disability	0	0
Widow/er	0	0

The components determined in #1, 2 & 3 are combined to determine the total premium payable.

Dependent children are an additional \$200 / dependent / month

This is a summary of provisions of the Plan Document which sets forth the Plan of Benefits adopted by the Trustees. If there is any discrepancy between the information in this summary and the provisions of the Plan Document, the provisions of the Plan Document will take precedence.

I.B.E.W. Local 701 Electrical Workers General Pension Fund

Changes to Early Retirement Factors (ERFs) Effective June 1, 2018

- Changes only apply to future benefit accruals earned after June 1, 2018.
- Currently, early retirement is reduced by 4% for each year of age less than 60 (no reduction between age 60 and 65), 80% of accrued benefit at age 55.
- Beginning June 1st, early retirement is reduced by 5% per year from age 55 to age 57 and 4% per year from age 57 to age 62 (70% of accrued benefit at age 55).
- The following tables show the current versus the proposed ERFs:

Current (Benefits Accrued on or Before May 31, 2018) ERFs	
Age	Reduction
62	100%
61	100%
60	100%
59	96%
58	92%
57	88%
56	84%
55	80%

Note: Reduction is 4% per year from age 55 to age 60.

New (Benefits Accrued on or After June 1, 2018) ERFs	
Age	Reduction
62	100%
61	96%
60	92%
59	88%
58	84%
57	80%
56	75%
55	70%

Note: Reduction is 5% per year from age 55 to age 57 and 4% per year from age 57 to age 62.