



# LOCAL 103, I.B.E.W. HEALTH BENEFIT PLAN

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MICHAEL P. DONOVAN, ADMINISTRATOR

## IMPORTANT NOTICE

DATE: January 2024  
TO: Local 103, I.B.E.W. Health Benefit Plan Participants  
From Board of Trustees and Administrator  
SUBJECT: Transition from Monthly to Quarterly Eligibility

The Board of Trustees has approved a transition from the current real-time monthly coverage model to an in-advance quarterly system, effective January 1, 2024.

Under the existing system, participants are required to accumulate 144 hours each month to maintain Eligibility. Since Employer reporting isn't due until the 15th of the month following the month of the work, this system results in frequent short-hour notices and terminations when these notices are not addressed within 30 days. These terminations are then retroactive due to the nature of when reporting is received by the Trust Funds Office. This leads to frustration, particularly for Participants, but also for providers and the Trust Funds Office. Additionally, the current system requires extensive communication between Participants, the Trust Funds Office, and our network providers, leaving little room for error.

The introduction of the new quarterly coverage system aims to address these challenges and provide several key benefits to Participants and the Plan:

1. **Improved Awareness:** Participants will receive affirmative notifications, informing them of their coverage status for the upcoming quarter. This advance notice will allow Participants to plan and make the necessary arrangements well in advance.
2. **Elimination of Retroactive Terminations:** By shifting to a quarterly coverage model, retroactive terminations for short hours will be almost completely eliminated, minimizing frustrations for Participants and providers.
3. **Enhanced Flexibility:** The eligibility requirement will shift from 144 hours per month to 432 hours per quarter. This change will allow Participants to effectively utilize months with higher hours to compensate for months with fewer hours within the same calendar quarter, resulting in fewer instances of Participants falling short and needing to rely on flex hours.
4. **Streamlined Administrative Processes:** The quarterly eligibility system will, in most cases, limit the notifications to four times per year, reducing the burden on both Participants and the Trust Funds Office. The Plan's network vendors, such as Blue Cross Blue Shield of MA, CVS, Delta Dental, and our Life Insurance carrier, will benefit from a clearer understanding of the eligibility rules, reducing potential confusion.

The transition to the quarterly coverage system will involve a careful process to ensure a smooth implementation. Starting with hours worked during July 2023, a dual assessment method will be employed to evaluate coverage for both individual months and cumulative quarterly periods. For example, hours worked during July, August, and September 2023 will be assessed for Eligibility in each respective month while also being considered cumulatively to determine Eligibility for the first quarter of 2024. A similar evaluation will take place for hours worked during October, November, and December 2023, with Eligibility assessed for individual months and cumulatively for the second quarter of 2024.

A couple of important notes:

- Newly eligible participants will continue to follow the same monthly process as in the past until they accumulate sufficient time eligible under the Plan to switch to the quarterly process.
  - Initial Eligibility requires 30 days working for a Signatory Employer AND 144 hours of contributions for a single calendar month.
  - Until accumulating 432 hours in a calendar quarter, newly eligible Participants' Eligibility will continue to be evaluated on a month-by-month basis.
- Other credit available toward Eligibility, such as layoff carry time, flex hours, day school hours, MAPFML, FMLA, and disability time, will continue to be available as in the past.
- Benefits earned based on accumulated Plan Eligibility will continue as in the past:
  - Participants will become eligible for layoff carry time and flex hours after six months of Eligibility credit.
  - Life insurance amounts will continue to increase after 24, 36, 48, and finally 60 months of Eligibility credit.
  - Participants with 48 months of Eligibility credit will be eligible for indefinite layoff carry time.
  - Eligibility for Health coverage in retirement will still require 15 years of Eligibility credit and 15,000 hours of contributions during those 15 years.
- The change to the quarterly eligibility system will only pertain to Participants working under a collective bargaining agreement.

This shift to a quarterly coverage system reflects the Plan's dedication to meeting the evolving needs of Participants and improving clarity and administrative efficiency. By simplifying the process, Participants can enjoy improved predictability and clarity regarding their coverage status, reducing frustration and administrative burdens.

For further information or inquiries regarding the transition to the quarterly coverage system, please contact the Trust Funds Office at (617) 288-5999 and refer to Quarterly Eligibility.