

NORTHERN NEW ENGLAND BENEFIT TRUST

ELIGIBILITY

COMPOSITE RATE COMPANIES

MONTHLY RATES

**WELCOME**



# ELIGIBILITY, PARTICIPATION REQUIREMENTS AND ENROLLMENT

## Composite Rate Companies

### ELIGIBILITY

#### ELIGIBILITY SCHEDULE

A member's eligibility for coverage is determined month-to-month based on the following eligibility schedule:

<b>Work Month</b>	<b>Coverage Month</b>
January	April
February	May
March	June
April	July
May	August
June	September
July	October
August	November
September	December
October	January
November	February
December	March

#### INITIAL ELIGIBILITY – NEW MEMBERS

To become eligible for benefits, a new employee must have a minimum of two months of employer contributions during a consecutive three-month period. When the minimum months of contributions are met, eligibility for coverage will begin on the first day of the second month and will be for an initial period of two months.

**Example 1:** Employee A is hired on January 1 and the employer makes contributions to NNEBT for Employee A for the months of January and February. Employee A will have accrued a total of two months during this three-consecutive month period and will be eligible for coverage April 1, and also will be eligible for coverage in May.

Contribution Month	Contribution	Accumulated Contributions	Initial Eligibility Status
January	1 month	1 month	Accruing-Not Yet Eligible
February	1 month	2 months	Minimum Met-Eligibility Pending
March			Minimum Met-Eligibility Pending
April			Initial Eligibility-Month 1 of 2
May			Initial Eligibility-Month 2 of 2

**Example 2:** The employer makes contributions to NNEBT for Employee A for the months of January and April. Employee A is not eligible for coverage since he had only 1 month of contributions during the three-consecutive month period January, February and March and then had only one month of contributions during the three-consecutive month period of February, March and April.

Contribution Month	Contribution	Accumulated Contributions	Initial Eligibility Status
January	1 month	1 month	Accruing-Not Yet Eligible
February			Accruing-Not Yet Eligible
March			Accruing-Not yet Eligible-Did not meet Minimum Months January through March
April	1 month	1 month	Accruing-Not Yet Eligible-Did not meet Minimum Months February through April

**Example 3:** The employer makes contributions for Employee A for the months of January, March and April. Employee A will have accrued a total of two months during the three-consecutive month period of January, February and March and will be eligible for coverage May 1, and also will be eligible for coverage in June. The monthly contribution made for April will provide coverage for July.

Contribution Month	Contribution	Accumulated Contributions	Initial Eligibility Status
January	1 month	1 month	Accruing-Not Yet Eligible
February	0	1 month	Accruing-Not Yet Eligible
March	1 month	2 months	Minimum Met-Eligibility Pending
April	1 month		Minimum Met-Eligibility Pending
May			Initial Eligibility-Month 1 of 2
June			Initial Eligibility-Month 2 of 2
July			Covered from April Contribution

## **ENROLLMENT OF NEW MEMBERS**

New members who meet the eligibility requirements may enroll in the Plan by submitting a completed enrollment application to NNEBT. Members who meet the eligibility requirements but who do not enroll in the Plan may not be entitled to benefits or may only be entitled to limited benefits.

## **MAINTAINING ELIGIBILITY**

To remain eligible each Coverage Month, the employer must remit for the corresponding Work Month (see p. 1). An employee must meet the employer's requirement(s) in order for the employer to remit a **full monthly contribution**.

If a contribution is made during a Work Month, the member will be automatically eligible for the corresponding Coverage Month.

If a contribution is not made during a Work Month, the member will not be automatically eligible for the corresponding Coverage Month but may be eligible to continue coverage through the Pay-In Provision.

## **PAY-IN PROVISION**

A member may "pay-in" the monthly minimum contribution requirement if the employer did not make a contribution on the member's behalf. This may be done on a one-time basis. If a member chooses not to make the pay-in, the member will lose coverage for the corresponding Coverage Month and must satisfy the reinstatement rule in order to regain eligibility.

**Please Note: The dollar amounts in the following examples are generic amounts and do not necessarily correspond to the dollar amounts that will be used to calculate a member's pay-in. The actual dollar amount will be the monthly contribution rate in the collective bargaining agreement that corresponds to the Work Month for which the minimum number of weeks is not reported.**

**Example 1:** The employer makes a contribution to NNEBT for Employee A in April for July Coverage; but does not make a contribution in May for August coverage. Employee A will receive a pay-in notice for August Coverage. If Employee A makes the pay-in, coverage will continue into August. If Employee A fails to make the pay-in, Employee A will lose coverage at the end of July.

Contribution Month	Coverage Month	Contribution	Contribution Conversion to Dollars	Pay-In Amount
April	July	1 Month	\$1,100.00	
May	August	0	0	\$1,100.00

**Example 2:** Same facts as in Example 1, except Employee A also has no employer contribution in June. Employee A will not receive a pay-in notice for May and will only have COBRA as an option to continue coverage in August.

Contribution Month	Coverage Month	Contribution	Contribution Conversion to Dollars	Pay-In Amount
April	July	1 Month	\$1,100.00	\$0.00
May	August	0	\$0.00	\$1,100.00
June	September	0	<b>COBRA to continue coverage</b>	

**Example 3:** The employer makes a contribution to NNEBT for Employee A in April for July Coverage; the employer does not make a contribution in May for August coverage and Employee makes the pay-in. The employer makes a contribution in June for September coverage. Employee A's coverage will continue without a break.

Contribution Month	Coverage Month	Contribution	Contribution Conversion to Dollars	Pay-In Amount
April	July	1 Month	\$1,100.00	\$0.00
May	August	0	0	\$1,100.00
June	September	1 Month	\$1,100.00	\$0.00

## **REINSTATEMENT OF COVERAGE**

If a member's coverage is terminated for any reason, *e.g.* failure to make a pay-in, the former member will be required to meet the requirements for gaining initial eligibility, *i.e.* two months of contributions in a three-consecutive month period, with reinstated coverage beginning the first of the second month.

## **EXTENSION OF COVERAGE BASED ON DISABILITY**

A member who is disabled, who qualifies for weekly disability income benefits from NNEBT will be eligible for a one-month disability extension that will apply to the first month the member is short contributions because of the member's disability.

After the one-month disability extension, the member will be entitled to make monthly pay-ins equal to one month of contributions at the then-applicable monthly contribution rate for as long as the member remains eligible for weekly disability income benefits from NNEBT.

Any periods of coverage under the disability extension rule will be deducted from a member's COBRA entitlement.

## ELIGIBLE DEPENDENTS

### ELIGIBLE SPOUSE

An eligible spouse is the lawful spouse of a member, including a legally separated spouse.

**Adding a spouse:** If the Trust is notified within 30 days of the marriage, the spouse will be covered by the Plan as of the date of the marriage. Otherwise, the spouse will be added as of the date of notification.

### ELIGIBLE CHILDREN

For purposes of the plan, an eligible dependent includes the child of a member who is under the age of 26; **provided however**, that an adult child between the ages of 19 and 26 is not an eligible dependent if the plan is a grandfathered plan and the adult child is eligible to enroll in an employer-sponsored health plan. [Questions concerning whether the plan is grandfathered should be directed to NNEBT at 1-800-258-9732.] A child who attains the age of 26 shall retain his/her dependent status until the end of the calendar month in which s/he attained age 26. **An adult dependent child may be married; however the spouse and any children of the adult dependent are not eligible.**

“Child” as used above includes the member’s own biological child, a child that has been placed for adoption with the member, a child for whom the member has been appointed as legal guardian with custody or a step child; **provided however**, that step children will not continue to be eligible dependents after a divorce.

For purposes of the plan, an eligible dependent also includes a member’s unmarried child over the age of 25 who, prior to attaining age 26, is an eligible dependent and is incapable of independent financial self-support because of a mental or permanent physical disability; who is dependent on the covered member for support and maintenance; and who is not covered by any other plan; **provided however**, that the member submits to NNEBT adequate proof of handicapped status prior to the end of the calendar month in which the handicapped child attains the age of 26.

## **DIVORCE**

In the event of divorce of a covered NNEBT member, the member must notify the Trust of the divorce within 30 days of the divorce and, at the same time, provide the Trust with a copy of the Divorce Decree.

In the case of members for whom contributions are made under a tiered family status, *e.g.* single, double or family, the member must notify his employer of the divorce and, if not addressed in the collective bargaining agreement, make arrangements for the continuation of contributions to cover the former spouse.

Coverage for the former spouse will continue only if such coverage is required by the Divorce Decree. Otherwise, the spouse's coverage will end as of the date of the divorce. A former spouse may be considered an eligible dependent subject to the following conditions:

1. The Divorce Decree must require that the member maintain coverage for his/her former spouse;
2. Neither the former spouse nor the member has remarried; and
3. The former spouse is not eligible for Medicare.

**If the member does not notify NNEBT of the divorce in the required time frame and claims are paid, the member will be required to repay NNEBT for the cost of those claims.**

**The member is responsible for providing NNEBT with current contact information for the former spouse.**

The biological or adopted children of the member who otherwise meet the dependent eligibility requirements of the SPD will retain coverage after the member's divorce. Children of the former spouse who are not the biological or adoptive children of the member will not be covered after the divorce.

## TERMINATION OF COVERAGE

A member's coverage under the Plan will end:

1. If the member does not meet the minimum monthly contribution requirement and does not make a pay-in, the member's coverage will end on the last day of the Coverage Month prior to the Coverage Month corresponding to the Work Month for which the pay-in was not made.
2. If the member has no employer contributions in 2 successive Work Months, the member's coverage will end after the Coverage Month corresponding to the first Work Month in which the member had no hours.
3. If a member retires and qualifies for subsidized retiree benefits from NNEBT, coverage will end at the end of the month following the month in which employer contributions cease.
4. If the member's employer ceases to be a contributor to NNEBT, coverage will end at the end of the month following the month in which employer contributions cease.
5. If the member otherwise becomes ineligible, coverage will end.
6. If NNEBT ends or modifies the Plan in a manner that makes the member no longer qualified for coverage, coverage will end.

**Example 1:** *Employee A has no employer contributions in January and February and makes the required pay-in for January. Employee A will lose coverage at the end of April.*

Contribution Month	Coverage Month	Contribution	Eligibility Status
January	April	0/Pay In Notice Sent	Eligible by pay-in
February	May	0	Not Eligible (Coverage ends April 30)

**Example 2:** *Employee A receives a pay-in notice for the Work Month of January (April coverage) and does not make the pay-in. Employee A will lose coverage at the end of March.*

Pay-In Notice	Coverage Month	Contribution	Coverage Loss
January	April	0/Pay In Notice Sent	Does not make pay-in; coverage ends March 31

**Example 3:** Employee A, who is eligible for subsidized retiree benefits from NNEBT, retires at the end of December with 4 weeks of paid vacation and the employer makes contributions in January for the vacation hours. The last month of full contributions will grant coverage for the corresponding Coverage Month. Employee A will lose coverage at the end of April.

Last Physical Work Date	Vacation Month	Coverage Month	Coverage Ends
December 31	January (4 weeks)	April	April 30

**Example 4:** Same facts as Example 3, with member being owed 6 weeks of paid vacation; the employer makes contributions in January and February for the vacation hours. The last month of full contributions (January) will grant coverage for the corresponding Coverage Month (April). Retirees are not permitted to make pay-ins and must access the Retiree coverage as soon as coverage under the active plan is terminated. Employee A will lose coverage at the end of April.

Last Physical Work Date	Vacation Weeks Remitted	Coverage Month	Coverage Ends
December 31	January (4 weeks) February (2 weeks)	April	April 30

#### TERMINATION OF DEPENDENT COVERAGE

A spouse's coverage under the Plan will end –

1. When the member's coverage ends.
2. If the individual no longer meets the Plan's definition of "Eligible Dependent."

A dependent child's coverage under the Plan will end –

1. When the member's coverage ends.
2. If the individual no longer meets the Plan's definition of "Eligible Dependent."

All of the above notwithstanding, in the event a member dies, the member's otherwise eligible dependents will remain covered for a maximum period of one year. Any such periods of coverage will be deducted from the COBRA entitlement(s) of the eligible dependent(s).