

NORTHERN NEW ENGLAND BENEFIT TRUST

ELIGIBILITY

NON-MEDICAL HOURLY PLANS

(DENTAL ONLY OR DENTAL/VISION ONLY)

WELCOME



ELIGIBILITY, PARTICIPATION REQUIREMENTS AND ENROLLMENT

Non-Medical Hourly Plans

ELIGIBILITY

ELIGIBILITY SCHEDULE

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

Work Month	Coverage Month
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 250 cumulative hours of employer contributions during a consecutive three-month period. When the minimum hours 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 January 1 and the employer makes contributions to NNEBT for Employee A for the following hours during the three-month period January - March: January – 100 hours; February – 80 hours; and March - 80 hours. Employee A will have accrued a total of 260 hours during this three-consecutive month period and will be eligible for coverage May 1, and also will be eligible for coverage in June.

Contribution Month	Contribution Hours	Accumulated Hours	Initial Eligibility Status
January	100	100	Accruing-Not Yet Eligible
February	80	180	Accruing-Not Yet Eligible
March	80	260	Minimum Met-Eligibility Pending
April			Minimum Met-Eligibility Pending
May			Initial Eligibility-Month 1 of 2
June			Initial Eligibility-Month 2 of 2

Example 2: Same facts as in Example 1, except the employer makes contributions to NNEBT for Employee A for the following hours: January – 80 hours; February – 80 hours; March - 60 hours and April – 80 hours. Employee A is not eligible for coverage since he only had 220 hours in the three-consecutive month period January, February and March and then only had 220 cumulative hours of employer contributions during the three-consecutive month period of February, March and April.

Contribution Month	Contribution Hours	Accumulated Hours	Initial Eligibility Status
January	80	80	Accruing-Not Yet Eligible
February	80	160	Accruing-Not Yet Eligible
March	60	220	Accruing-Not yet Eligible-Did not meet Minimum Hours January through March
April	80	220	Accruing-Not Yet Eligible-Did not meet Minimum Hours February through April

Example 3: Same facts as in Example 2, except the employer makes contributions to NNEBT for Employee A for 80 hours in March and 90 hours in April. Employee A will have accrued a total of 250 hours during the three-consecutive month period of February (80), March (80) and April (90) and will be eligible for coverage June 1, and also will be eligible for coverage Plan in July.

Contribution Month	Contribution Hours	Accumulated Hours	Initial Eligibility Status
January	80	80	Accruing-Not Yet Eligible
February	80	160	Accruing-Not Yet Eligible
March	80	240	Accruing-Not yet Eligible-Did not meet Minimum Hours January through March
April	90	250	Minimum Met-Eligibility Pending
May			Minimum Met-Eligibility Pending
June			Initial Eligibility-Month 1 of 2
July			Initial Eligibility-Month 2 of 2

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, members must meet the monthly minimum requirement for cumulative hours of employer contributions for the corresponding Work Month in accordance with the monthly schedule described above.

The monthly minimum requirement is 150 hours.

If a member meets or exceeds the minimum requirement during a Work Month, the member will be automatically eligible for the corresponding Coverage Month.

If a member does not meet the minimum requirement 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 Banking Provision and/or the Pay-In Provision.

BANKING PROVISION

Every eligible member will have a “bank” into which **a portion** of the hours that are contributed for the member by the employer for a Work Month **in excess** of the monthly minimum requirement will be deposited.

Hours contributed for a Work Month in excess of 160 will be deposited, subject to the maximum described below.

Banked hours will be converted to dollars which can be applied automatically to a subsequent Work Month in which the member falls short of the required minimum hours. Banked dollars may eliminate, but at least will reduce, the amount of a member’s pay-in.

A member’s bank cannot exceed 150 cumulative hours.

Banked hours will “expire” after three months, at which time the corresponding dollar amount will be removed from the member’s bank.

Please Note: The dollar amounts in the following examples are only generic amounts and do not necessarily correspond to the dollar amounts that will be applied to a member's hours for banking purposes. The actual dollar amount will be the hourly contribution rate in the collective bargaining agreement that corresponds to the Work Month for which the excess hours are reported.

Example 1: The employer makes contributions to NNEBT for Employee A for 200 hours for December. The hourly contribution rate in December is \$1.00. Employee A's bank will be credited with \$40.00 (40 hours x \$1.00).

Contribution Month	Coverage Month	Contribution Hours	Hours Excess or Shortage	Dollar Conversion
December	March	200	40 Excess	40 x \$1.00 = \$40.00

Example 2: Same facts as in Example 1, except Employee A subsequently has only 120 hours of contributions in January. NNEBT will deduct \$30.00 from Employee A's bank (30 x \$1.00); Employee A will not receive a pay-in notice; and Employee A will continue to be eligible for coverage in April.

Contribution Month	Coverage Month	Contribution Hours	Hours Excess or Shortage	Bank Amount
December	March	200	40 Excess	\$40.00
January	April	120	30 Shortage	\$30.00 used to maintain coverage
			BALANCE	\$10.00

Example 3: Same facts as in Example 2, except Employee A has 160 hours of contributions in February, 160 hours of contributions in March and 140 hours of contributions in April. Employee A will receive a pay-in for the month of April equal to \$20.00 (20 x \$1.00) to maintain coverage for the month of July, because the banked hours from December will have expired and the remaining dollar amount has been removed from Employee A's bank.

Contribution Month	Coverage Month	Contribution Hours	Hours Excess or Shortage	Bank/Pay-In Amount
December	March	200	40 Excess	\$40.00
January	April	120	30 Shortage	\$30.00 used to maintain coverage
February	May	160	10 Balance	\$10.00 Balance
March	June	160	10 Balance (expires march 31)	\$10.00 Balance (expires March 31)
April	July	140	20 Shortage	\$20.00 Pay in required to maintain coverage

PAY-IN PROVISION

A member may “pay-in” the difference between the monthly minimum contribution requirement and the amount of hours actually contributed for the member by the member’s employer. Any banked dollars will be automatically applied to any shortfall of hours to reduce the deficit. 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. A member who has no employer contributed hours for a Work Month, on a one-time basis, may pay-in the full hourly amount, *i.e.* 150 hours, either through the application of the member’s banked dollars, an actual contribution or a combination of banked dollars and actual contribution.

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 hourly contribution rate in the collective bargaining agreement that corresponds to the Work Month for which the minimum number of hours is not reported.

Example 1: The employer makes contributions to NNEBT for Employee A for 135 hours for April at an hourly rate of \$1.00 and Employee A has no banked dollars. Employee A will receive a pay-in notice in the amount of \$15 (15 x \$1.00). If Employee A makes the pay-in, Employee A will continue to be eligible for coverage in July. If Employee A fails to make the pay-in, Employee A will lose coverage at the end of June.

Contribution Month	Coverage Month	Contribution Hours	Hours Shortage	Pay-In Amount
April	July	135	15 Shortage	\$15.00

Example 2: Employee A has no employer contributed hours in April and has \$40 in banked dollars. Employee A will receive a pay-in notice in the amount of \$110.00 (150 x \$1.00 (-) \$40.00) to remain covered. If Employee A makes the pay-in, Employee A will continue to be eligible for coverage in July. If Employee A fails to make the pay-in, Employee A will lose coverage at the end of June.

Contribution Month	Coverage Month	Contribution Hours	Hours Shortage	Banked Dollars	Pay-In Amount
April	July	0	150	\$40.00	\$90.00

Example 3: Same facts as in Example 2, except Employee A also has no employer contributed hours in May. 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 Hours	Hours Shortage	Banked Dollars	Pay-In Amount
April	July	0	150	\$40.00	\$90.00
May	August	0	150	COBRA to continue coverage	

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.* 250 cumulative hours 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 and who has exhausted his/her bank 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 150 hours at the then-applicable hourly 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 contributed hours 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 contributed hours 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 Hours	Eligibility Status
January	April	0	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 February (May coverage) and does not make the pay-in. Employee A will lose coverage at the end of April.*

Pay-In Notice	Coverage Month	Hours	Coverage Loss
February	May	0/Pay In Notice Sent	Does not make pay-in; coverage ends April 30

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).