



PENSION HOSPITALIZATION AND BENEFIT PLAN JOINT INDUSTRY BOARD OF THE ELECTRICAL INDUSTRY

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July 2024

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RE: Active & Non-Medicare Eligible Participants

Dear Participant:

As previously communicated, an annual deductible will be introduced to the Pension, Hospitalization and Benefit Plan of the Electrical Industry (the "Plan" or "PHBP") effective **July 1, 2024**. You will now be responsible for a deductible of **\$500 per individual** who is covered under the Plan, not to exceed **\$1,000 per family** as of July 1, 2024. Many of our participants have raised questions since learning of the new deductible. It is our hope that this communication will bring clarity to these changes.

1) Q. Why is the deductible being introduced to the Plan?

A. Healthcare costs have increased significantly in recent years. The Trustees of the Plan decided to implement the deductible in order to ensure the long-term sustainability of the Plan.

2) Q. How does the deductible apply to my claims?

A. Each individual will be responsible for paying the applicable deductible amount before the Plan begins to make payment for covered healthcare services you receive on or after July 1, 2024. The maximum deductible applied to any family is \$1,000 in 2024.

3) Q. Does the deductible change in 2025?

A. Yes, the deductible will reset on **January 1, 2025** at which point each individual will be responsible for paying the first **\$1,000** in healthcare services, not to exceed **\$2,000 per family** before the Plan begins to make payment for covered healthcare services.

4) Q. How is a family defined?

A. A family is defined as any participant with one or more dependents (child and/or spouse) covered under the Plan.

5) Q. How will the deductible apply to a family of two?

A. Each person will need to satisfy their individual deductible requirement. For example, a member and a spouse or a member and a child will each need to satisfy a \$500 deductible in 2024 and \$1,000 deductible in 2025.

6) Q. How will the deductible apply to a family of three or more?

A. The deductible will not exceed \$500 for any one individual or \$1,000 for any family in 2024 (\$1,000/\$2,000 in 2025). For example, no one individual within the family would have more than \$500 applied to their annual deductible in 2024 (\$1,000 in 2025). Therefore, claims may pay for one person in the family once their individual deductible of \$500 is satisfied in 2024 (\$1,000 in 2025) while claims for the remainder of the family will continue applying to the deductible until the \$1,000 family deductible is met (\$2,000 in 2025).

7) Q. How do the individual and family deductibles operate?

A. Both the individual and family deductible levels are capped in order to limit the financial burden on a household, whether the household is comprised of one individual or multiple covered dependents. The maximum payable deductible amount for a family is \$1,000 in 2024 (\$2,000 in 2025). The family deductible is equal to the sum of all deductible dollars paid by each person in your household. Therefore, one individual in the family can pay a maximum deductible up to \$500 in 2024 (\$1,000 in 2025).

In a family of two, both individuals will be required to satisfy the \$500 individual deductible in 2024 before the Plan begins to pay. Claims may begin to pay for one person once the individual deductible is satisfied while claims will continue applying to the deductible for the dependent who has not yet met the deductible requirement.

The individual maximum of \$500 still applies to a family of 3 or more, however, the family level deductible will be considered satisfied once the sum of deductible payments made by all family members reaches \$1,000 (\$2,000 in 2025).

8) Q. Does the deductible apply to all services? Will co-payments still apply?

A. The deductible does not apply to **preventive services**, prescription drugs, services rendered at JIB Medical, Behavioral Health services, Physical Therapy, Telehealth, MDLive urgent care visits and services provided by your **primary care physician ("PCP")**.

Co-payments **will** apply to all services when applicable except in the case of Network preventive care which is covered at no cost to you.

9) Q. What is a Primary Care Physician ("PCP")?

A. A PCP is a healthcare professional who practices general medicine, internal medicine, pediatrics, obstetrics, or gynecology.

10) Q. What services are considered preventive?

A. Routine health care, which may include immunizations and screenings, check-ups, and patient counseling to prevent or discover illness, disease, or other health problems. Preventive services are subject to limitations based on age, frequency, and other criteria. If health care services meet such criteria, co-payments do not apply when those services are provided by Network providers. The deductible is waived for any health care services that meet the criteria for preventive services, whether provided by Network or Non-Network providers. For a complete list of health care items and services that are considered preventive, as well as an explanation of any limitations that apply, visit the HealthCare.gov website at <https://www.healthcare.gov/coverage/preventive-care-benefits/>.

11) Q. What portion of the provider's bill applies towards the deductible?

A. The deductible applies to the amount allowed by the Plan which includes the MagnaCare Network rate or the usual and customary Plan allowance for Non-Network services.

12) Q. Will the co-payments apply towards the deductible amount?

A. No, co-payments apply separately and do not accumulate toward satisfying the deductible. Co-payments may however count toward the annual Maximum Out-of-Pocket ("MOOP"). See the next question below.

13) Q. What is the annual Maximum Out-of-Pocket (MOOP)?

A. The MOOP is set by the federal government and pertains to the maximum cost an individual or family will pay in the form of a deductible or co-payments for certain covered services before the Plan begins to pay 100% of the costs of covered benefits. The MOOP for 2024 is \$9,450 individual and \$18,900 family. The Plan applies the co-payment for **covered essential health benefits¹ provided by Network providers** to the MOOP. The Plan applies the deductible for all **covered Network and Non-Network services** to the MOOP.

14) Q. What happens once my deductible is satisfied?

A. All Plan rules and current co-payments will apply once the deductible has been satisfied.

15) Q. Will MagnaCare keep a record of my deductible?

A. Yes, your deductible will be tracked by MagnaCare and will also appear on your Explanation of Benefits statement.

¹ Please contact MagnaCare Customer Service at 877-624-6210 if you have questions about whether an item or service is an essential health benefit.

16) Q. Can members use their Health Reimbursement Account (“HRA”) and/or Additional Security Benefits Plan (“ASBP”) balances to help offset the cost of the annual deductible?

A. Yes, active participants who are eligible for the HRA or ASBP, or retirees that may have remaining account balances, may use them to help offset the cost of the deductible or other out-of-pocket costs. You can call the Annuity Department at the Joint Industry Board should you have any questions about the HRA or ASBP Plans at 718-969-4040.

17) Q. Is Physical Therapy the only therapy that is not subject to the annual deductible?

Yes, all other therapies are subject to the annual deductible. This includes occupational, speech, pulmonary and cardiac therapies.

18) Q. Can both the deductible and co-payment apply to a claim?

A. Yes. Co-payments will apply once your deductible has been satisfied. It is possible for your deductible to be satisfied on a claim which also requires a co-payment.

19) Q. How does the deductible apply when MagnaCare/PHBP is the secondary or tertiary coverage?

A. The deductible paid under the primary plan will also be applied to the MagnaCare/PHBP deductible. Members do not need to satisfy both the primary deductible and the MagnaCare/PHBP deductible so long as the MagnaCare/PHBP deductible amount is satisfied.

You may refer to your Summary Plan Description and updating Summaries of Material Modifications for co-payment information and other details. You will receive an updated identification card in the coming days which will include details relating to common benefits.

The Summary Plan Description, updating Summaries of Material Modifications and information captured above along with a more extensive set of FAQs can be found at <https://www.jibei.org/health/phbp-medical-and-rx-plan/> or by logging into your account at www.mycreatehealth.com. You may also download the MyCreateHealth mobile app from the Apple Store or Google Play.

If you have any questions, please call MagnaCare Customer Service at 877-624-6210.

Sincerely,
Trustees of the Pension,
Hospitalization and Benefit Plan
of the Electrical Industry