



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

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April 2024

New Deductible for Medicare-Eligible Retirees and Their Medicare-Eligible Dependents

Dear Participant:

We are writing to notify you of an important plan design change to the Pension, Hospitalization and Benefit Plan of the Electrical Industry (the "Plan").

Currently, the Plan covers Medicare-eligible retirees and their Medicare-eligible dependents for 20% of the cost of health care services approved but not reimbursed by Medicare, including reimbursement of their annual Medicare Part B deductible of \$240 for calendar year 2024 and Medicare Part A deductible of \$1,632 for calendar year 2024 without any member cost sharing.

For a number of reasons, including the extra-sharp rise in healthcare costs and its impact on the Plan reserves over the past several years, the Trustees have had to make difficult decisions in order to maintain medical coverage.

The Trustees have decided to take action with the introduction of an annual deductible for Medicare-eligible retirees and their Medicare-eligible dependents. **The Plan's new annual Medicare secondary deductible will apply beginning with services you receive from your health care provider on or after July 1, 2024.** A deductible is the amount you pay during a coverage period for covered health care services before the Plan begins to pay. As described below, for some services, you will not have to meet the deductible before the Plan begins to pay. All other Plan rules found in the Summary Plan Description concerning the payment of medical claims still apply.

Highlights regarding this Plan design change include:

- There will be \$375 per person deductible effective July 1, 2024-December 31, 2024.*
- There will be an annual \$750 per person deductible effective January 1, 2025.*
- The deductible will apply to 20% of the cost of services approved but not reimbursed by Medicare, the annual Medicare Part B Deductible and the Medicare Part A Deductible.
- The deductible **will not** apply to the following services:
 - Services that Medicare covers 100% such as preventive care;
 - Prescription drugs (current copayments apply);
 - Services rendered at JIB Medical;
 - Telehealth services that are approved by Medicare.

The Trustees take pride in extending the best healthcare benefits and will continue seeking ways to enhance the benefits provided to you.

For those whose family composition includes both Medicare-eligible retiree coverage and active coverage under the Plan, MagnaCare will be sending additional information outlining the manner in which the annual deductible will be applied.

Additionally, a new MagnaCare/PHBP Medicare secondary benefit card reflecting this plan design change will be mailed to you in advance of July 1, 2024. You may contact MagnaCare at 877-624-6210 with any questions regarding these changes.

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

**As a reminder, for those that have Health Reimbursement Account ("HRA") and/or Additional Security Benefits Plan ("ASBP") accounts with remaining balances, you may use them to help offset the cost of the deductible. You can call the Annuity Department at the Joint Industry Board should you have questions concerning the HRA or ASBP at 718-969-4040.*

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Summary of Material Modifications

This notice is considered a Summary of Material Modifications under the Employee Retirement Income Security Act of 1974 (ERISA). You should keep this with your Summary Plan Description for the Pension, Hospitalization and Benefit Plan of the Electrical Industry. Please take the time to read this notice carefully and share it with your covered family members. This announcement contains only highlights of certain features of the Plan effective on or after July 1, 2024.

This communication also serves as notice of material modifications to the Plan that impact the Summary of Benefits and Coverage that you previously received.