

# Pipe Trades Services MN Welfare Fund

## 2018 Deductible Election Form for **New** Contractor Member

Member Name: \_\_\_\_\_

Member Address: \_\_\_\_\_

\_\_\_\_\_

CITY, State ZIP \_\_\_\_\_

Member ID# \_\_\_\_\_

(to be entered by PTSMN office)

### IMPORTANT NOTES

- Please check the box next to the deductible level and corresponding premium you are selecting for the January 1, 2018 through December 31, 2018 calendar year.
- After selecting your deductible please sign, date and return this form **with the Enrollment form**.
- If you choose not to return the election form by the deadline, the 2018 deductible level for you and your family will be defaulted to the \$750 level.
- You will receive another election form in October to be completed for the plan year beginning January 1, 2019.

**I choose the following deductible level for me and my family  
for the Calendar year January 1, 2018 through December 31, 2018.**

| Individual Calendar<br>Year Deductible | Family Calendar<br>Year Deductible | Monthly Premium deducted<br>from your dollar Bank | <br><input type="checkbox"/> |
|--|------------------------------------|---|------------------------------|
| \$150                                  | \$450                              | \$1,289   | <input type="checkbox"/>     |
| \$500                                  | \$1,500                            | \$1,244   | <input type="checkbox"/>     |
| \$750                                  | \$2,250                            | \$1,199   | <input type="checkbox"/>     |
| \$1,000                                | \$3,000                            | \$1,170   | <input type="checkbox"/>     |
| \$1,500                                | \$4,500                            | \$1,120   | <input type="checkbox"/>     |
| \$2,000                                | \$6,000                            | \$1,069   | <input type="checkbox"/>     |

I understand that this election is for the entire calendar year and that I may not change my deductible during the calendar year. I further understand that the premium is subject to change on May 1, 2018 (the beginning of the plan's fiscal year), at the sole discretion of the trustees.

\_\_\_\_\_  
Signature

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

**Make two copies:** 1 copy for your Company Human Resources  
1 copy for your personal file  
**Return original to PTSMN**

# Pipe Trades Services MN Welfare Fund

## Important – Annual Deductible Election Notice

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### Effective January 1, 2018

#### **Annual Deductible Election Notice**

The purpose of this notice and the attached election form is to allow members to **select from six (6) different deductible levels** to begin with the calendar year starting on January 1, 2018.

#### **What is the effect of this notice and election form?**

All benefits remain the same and the hourly contribution from the employer also remains the same. What may change, based upon your selection is the amount of premium deducted from your dollar bank each month and the amount of deductible taken prior to the plan payment on claims for you and your family members.

#### **What are the different deductible and corresponding premiums available to me?**

Please see the chart below for the deductible levels and corresponding premiums:

| <b>Calendar Year Deductible</b> | <b>Monthly Premium deducted from your dollar bank</b> | <b>Monthly Premium change from the \$750 deductible</b> |                    |
|---------------------------------|---|---|--------------------|
| \$150                           | \$1,289   | + \$90  | Lowest deductible  |
| \$500                           | \$1,244   | + \$45  |                    |
| \$750                           | \$1,199   | \$0   |                    |
| \$1,000                         | \$1,170   | - \$29  |                    |
| \$1,500                         | \$1,120   | - \$79  |                    |
| \$2,000                         | \$1,069   | - \$130   | Highest deductible |

As you can see from the chart above, you can choose from 6 different deductible and corresponding premiums. You can choose a deductible as low as \$150 with a monthly premium of \$1,289, or you can choose the \$2,000 deductible to lower your monthly premium to \$1,069. The difference in premium between the lowest deductible option and the highest deductible option is \$220 per month or \$2,640 per year.

#### **What does the lower monthly premium mean to me and how does it affect my dollar bank balance?**

The monthly premium is the cost of coverage for each deductible level, as determined by the plan actuary. This is the amount that will be deducted from your dollar bank each month for coverage. If you choose a higher deductible plan there are two possible effects. First, if you work the same number of hours, you would have more money in your dollar bank to be used at a later date for eligibility. Second, is that you could work a lesser number of hours to reach the monthly premium amount for coverage.

**Important notes concerning how different deductibles are factored into the payment of claims from your plan:**

- The deductible is the amount of Covered Medical Expenses, which is paid by the participant before the Plan will pay benefits.
- The family maximum deductible is equal to three (3) times the individual deductible regardless of the number of family members. For example, the family maximum for the \$150 deductible is \$450 and the family maximum for the \$750 deductible is \$2,250.
- After an individual meets the deductible, claims are paid in accordance with the terms of the plan, generally at 80%, 90% or 100% depending on the service and facility. Payment of the remaining 10% or 20% is called coinsurance and is the responsibility of the insured member.
- The plan also has an annual Out of Pocket Maximum. The Out of Pocket Maximum remains the same at \$2000 per Individual and \$6000 per family regardless of the Deductible Election. The amount of covered expenses, after the deductible, that a member will pay (coinsurance) accumulates through the year up to the Out of Pocket Maximum. Once the Out of Pocket Maximum amount is reached for an individual (\$2000), the plan will reimburse 100% of covered expenses for that person for the remainder of the calendar year. The same would apply at the family level. If the family Out of Pocket Maximum (\$6000) were reached, the family's covered expenses would be reimbursed at 100% for the remainder of the calendar year.

**As you make your decision, please keep the following information in mind.**

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The deductible **DOES NOT** apply to:

- The deductible does not apply to "In-Network" physician office visits. There is a \$25 co-pay and the balance of most covered services is paid at 100%.
- The deductible does not apply to prescription drug charges. There is a 20% co-pay and the balance is paid by the plan.
- The deductible does not apply to dental charges.
- The deductible does not apply to routine vision charges.
- The deductible does not apply to the list of required preventive services under ACA that must be paid at 100% when performed by an in network provider.
- The deductible does not apply to charges from MinuteClinic.

The deductible **DOES** apply to:

- The deductible will apply to "out-of-network" physician visits.
- The deductible will apply to hospital and associated charges.
- The deductible will apply to chiropractic charges.

This is not a complete listing but a summary of how this election will affect some of the most frequently used services.

**Do I choose a different deductible level for each member of the family?**

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No, the deductible level is not an individual or per person election. The deductible level is a family based election, which means each member of the family will be under the same plan with one monthly premium and one deductible level.

### **What is the deadline for the Deductible Election Form to be returned?**

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In order to allow sufficient time to enter and update the deductible level chosen by each family, the deductible election form MUST be received at the Pipe Trades Services MN Office **within 30 days**.

### **What happens if the Deductible Election Form is not received by the deadline?**

Plan participants that do not return the Deductible Election Form to the Pipe Trades Services MN Office by the deadline will be “defaulted” to the deductible rate elected for the year 2017. If they did not have coverage in 2017, they would be defaulted at the \$750 amount and corresponding premium for 2018.

### **Can I make changes to the deductible level during the year?**

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In October of each year there will be a Deductible Election period in which you will receive an election form to select your family’s deductible for the upcoming calendar year.

You can only make a change to your deductible during the Deductible Election period each year, to be effective on the following January 1<sup>st</sup>. This is an annual election, so the choice you make for January 1, 2018 will be in effect through December 31, 2018.

### **Will the monthly premium amount change during the year?**

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The monthly premium for each of the six different deductible levels is subject to change during the year. The plan’s fiscal year begins on May 1<sup>st</sup> of each year and, based upon medical trend and the claims experience of the plan, premiums may change at that time.

As you may recall, there was no premium or contribution increase needed for each of the last seven years (May 1<sup>st</sup> 2011, 2012, 2013, 2014, 2015, 2016 and 2017). Our goal is for there to be no increase again this year, but that will be based on the claims experience of the plan.

### **How you help keep the premiums from increasing?**

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Please keep in mind that taking advantage of the health & wellness programs being offered by the Welfare Fund, such as receiving your primary care at the Pipe Trades Family Health & Wellness Centers, using the Health Coaching, Smoking Cessation, and Health Club Reimbursement programs not only improves lives but saves dollars for you and your fund. Up to 50% of medical costs are lifestyle related – your behavior can and does make a real difference. Thank you for your diligence in being good consumers of health care services and trying your best to live a healthy lifestyle.

Please take the time to read this information carefully and to think about your decision before returning your election form. Keep in mind that you can decide to keep things exactly as they are now with no change in your deductible or premium level for January 1, 2018, or you can select a different deductible that better meets your individual needs.

**Thank you for your prompt attention to this matter and for returning your election form within 30 days.**

Other important points

- You may return your signed deductible election form by fax at 651-645-8119
- You may access detailed information regarding your eligibility and dollar bank balance on the website at [www.ptsmn.org](http://www.ptsmn.org)
- If you want to know your current and past Deductible Elections you can view them by logging into your member page at [www.ptsmn.org](http://www.ptsmn.org) and clicking on ‘Deductible Election’

## **Return your Deductible Election within 30 days.**

Receipt of this notice does not imply that you currently have coverage through the Pipe Trades Services MN Welfare Fund. Due to the fact that members may go in and out of coverage based upon their hours of work and that at any single point in time a member list would not be entirely accurate, this letter and notice is being sent to those members that have been covered through PTSMN within the past 6 months, or are new members. If you have questions regarding your eligibility, you may see your detailed eligibility history on the website at [www.ptsmn.org](http://www.ptsmn.org), and clicking 'Eligibility Information'.