



Central Midwest Regional Council of Carpenters' Welfare Fund

P.O. Box 1257, Troy, MI 48099
(800) 700-6756

June 1, 2025

To: Contributing Employers of Shop Employees

From: Board of Trustees of the Central Midwest Regional Council of Carpenters' Welfare Fund

Enclosed for your review is a notice distributed to Shop Employees regarding certain Plan changes, including an increase in monthly premiums previously communicated.

If you have any questions, please contact the Fund Office.

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Welfare Fund

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SUMMARY OF MATERIAL MODIFICATIONS

To: CMRCC Welfare Fund Shop Employees

From: CMRCC Welfare Fund Board of Trustees

Date: June 1, 2025

After careful review, the Trustees have determined that implementing certain plan changes will help strengthen the long-term stability of the Fund and help ensure that future benefits are available for all participants. These changes reflect the Board's commitment to serving the best interests of the Participants today and in the future. Please read this Notice very carefully and save for future reference.

MONTHLY PREMIUM

As previously notified, the monthly Premiums effective July 1, 2025, applicable to the September 2025 Eligibility Month, are:

- Shop Plan: \$550 Single/ \$900 Family.
- Full Plan: \$1,250.00 (applies to single or family coverage).

SHOP EMPLOYEE ELIGIBILITY RULES

Under Shop collective bargaining agreements, employers contribute a monthly amount for coverage (prorated for work of less than one month). Under a Shop collective bargaining agreement, Shop Employees do not accumulate a Dollar Bank and do not receive credit towards a Medical Reimbursement Account (MRA). However, a Shop Employee may from time-to-time work under other collective bargaining agreements that require hourly Contributions to the Fund and these hourly Contributions may give rise to a Bank and MRA.

The eligibility rules pertaining to Shop Employees, at section 2.3A of the Plan, have been restated effective August 1, 2025. These rules, which reflect the Restructure of the Dollar Bank discussed on page 6 of this Notice, are as follows:

2.3A. Eligibility for Shop Employees

(a) Initial Eligibility

Shop Employees will be eligible for coverage the first of the month following the month in which the Fund receives Contributions equal to one month's Premium. The Premium is the monthly cost of coverage determined from time to time in the sole discretion of the Trustees. For Premium amounts, see section 2.3A(f), below.

For example, January work month Contributions in the amount of the Premium are received in February. These Contributions provide eligibility for March.

(b) Accelerated Initial Eligibility

Notwithstanding section 2.3A(a), above, a Shop Employer may accelerate initial eligibility for his/her Shop Employees if:

- (1) the Shop Employees were never previously covered by the Plan (i.e., must be new Shop Employees); and
- (2) the Shop Employer remits two months of Contributions.

If the above requirements are met, eligibility will begin the first of the month following receipt payment. For example, two months of Contributions are received in May, then eligibility will be effective June 1 and will continue through July. The Shop Employer must then follow the schedule set forth in 2.3A(c)(1), below, i.e., remit Contributions in June for August eligibility.

(c) Continuing Eligibility

(1) Contributions

Eligibility continues so long as monthly Contributions are sufficient to pay the Premium. For such purposes, Contributions will be credited as follows:

Work in the month of:	For which Contributions are received in:	Provide credit for the following Eligibility Month:¹
January	February	March
February	March	April
March	April	May
April	May	June
May	June	July
June	July	August
July	August	September
August	September	October
September	October	November
October	November	December
November	December	January
December	January	February

(2) Self-Payments

Except as provided in paragraph 2.3A(c)(3), below, if monthly Contributions are not enough to cover the Premium, a self-payment must be made to maintain coverage.

Self-payments must be received by the Fund Office by the 25th of the month prior to the month for which the self-payment must be made to maintain eligibility. Failure to timely remit self-payments will result in termination of coverage retroactive to the first of the month for which self-payment is due and COBRA will be offered. Late self-payments to reinstate eligibility are not allowed.

Where the self-pay equals the Premium, it is a “full self-payment.” Full self-payments can be made for a maximum of 12 months. However, full self-payments are permitted for up to 24 months when the Employee is actively pursuing a Social Security Disability Award (SSD), provided the participant made an application for SSD within 12 months of the onset of the Disability. After the 12- or 24-month period for self-payments is exhausted, the Employee will be offered COBRA if eligibility has not been re-established under the Initial Eligibility rules.

(3) Dollar Banks and Medical Reimbursement Accounts

Due to work under certain Collective Bargaining Agreements, some Shop Employees may also have Dollar Banks and/or Medical Reimbursement Accounts (MRA). Under these Collective Bargaining Agreements, Contributions are based on hours worked.

Where Employer Contributions under section 2.3A(c)(1), above, are not sufficient to cover the Premium, the Dollar Bank can be used in lieu of self-payments to maintain coverage. The use of the Dollar Bank is subject to the following:

¹ Previously, there was an additional lag month between the work month and Eligibility Month. For example, Contributions for the work month of January provided eligibility for April. Under this revised structure, no participant will lose eligibility previously accumulated.

- (a) The Dollar Bank is a bookkeeping account for each Employee that is credited with Contributions received on his/her behalf up to a maximum of twelve months Premium.
- (b) All amounts in a Dollar Bank will be cancelled and forfeited if there are 12 consecutive months of no Contributions to the Bank.
- (c) An Employee has no right or title to any amounts credited to his/her Bank. At all times all amounts in the Dollar Bank are Plan assets. The Trustees may at any time and for any reason terminate the Bank and any credit in any Employee's Bank at such time will remain a Plan asset.
- (d) Contributions to the Bank are credited under the same schedule as set forth in paragraph 2.3A(c) (1), above.
- (e) Where Contributions for work months on or after July 2025 are credited to a Shop Employees Bank, he/she is also entitled to a contribution to his/her MRA under Article 5.
- (f) In the event a Shop Employers monthly Contribution is not sufficient to provide eligibility, prior to the issuance of a self-pay notice, an amount equal to the Premium for the month at issue will be deducted from the Shop Employee's Bank.

In the event there are insufficient amounts in a Shop Employee's Bank to cover the self-payment, if there is enough in the Employee's MRA to cover the required self-payment, then an automatic deduction will be made from the Employee's MRA.

For example: The Premium is \$1,250. Monthly Contributions equal \$800, the Employee has a Dollar Bank balance of \$100 and an MRA balance of \$700. The \$1,250 Premium will be satisfied by the \$800 in Contributions, \$100 Bank balance, and a \$350 self-payment automatically withdrawn from the Employee's MRA.

If there is not enough in an Employee's MRA to cover the required self-payment, a self-pay notice will be sent to the Employee. Self-payments must be received by the Fund Office by the 25th of the month prior to the month for which the self-payment must be made to maintain eligibility. If there is any amount in an Employee's MRA, the Employee can elect to use the MRA balance towards the required self-payment.

For example: The Premium is \$1,250. Monthly Contributions equal \$800, the Employee has a Dollar Bank balance of \$100 and an MRA balance of \$100. The Employee will receive a self-payment notice for \$350. The Employee can pay the entire \$350 or can pay \$250 and request that the remainder be paid with the \$100 MRA balance.

If eligibility lapses because the Employer Contributions to the Bank are delinquent and the Employee's Dollar Bank and MRA are depleted, the Participant may provide check stubs showing the hours worked for the delinquent Employer. Credit may be given for hours worked, up to three months, as determined by the Trustees.

(d) Temporarily Disabled Employees

Effective the first day of an injury or the eighth of an illness, a Shop Employee will be credited on each business day per week (Monday – Friday), an amount towards eligibility, established in the sole discretion of the Trustees from time to time, up to a maximum of 26 weeks where the Employee:

- (1) is temporarily Disabled, as supported by the statement of a Physician regularly treating the Active Employee confirming the Disability;
- (2) is not Retired and is represented by the Union at the time the Disability was incurred, the date of application for benefits under (4), below, and remains represented by the Union,
- (3) is receiving Weekly Disability benefits from this Fund, or is entitled to benefits under Workers' Compensation or occupational disease law; and

- (4) submits a written application to the Fund Office for such credits within 6 months after the Disability starts.

Notwithstanding, the Trustees may require that the Employee submit to an examination by a physician designated by the Fund prior to or during the receipt of such credit.

(e) Reinstatement of Eligibility

In the event eligibility is terminated, an Employee may reinstate eligibility by satisfying the Initial Eligibility provisions in Section 2.3A(a).

(f) Elections

(1) Medical Benefits

One-time per year during the open enrollment month of December, to be effective the following calendar year, Shop Employees may elect single or family coverage under the Shop Plan or the Active Employees and Non-Medicare Retirees Plan (Full Plan). The difference between these options is set forth in the Chart of Benefits at section 3.2(a). The monthly Premiums effective July 1, 2025, applicable to the September 2025 Eligibility Month, are:

- Shop Plan: \$550 Single/ \$900 Family.
- Full Plan: \$1,250.00 (applies to single or family coverage).

A Shop Employee may only switch coverage options during a calendar year if the Shop Employee acquires a new Dependent as a result of marriage, birth, adoption, or placement for adoption and the request to change an election is made within 60 days of such event. If the request to change an election is timely received, coverage will be retroactive to the date of such event. If the request to change an election is not timely received, coverage will be effective the first day of the first month following the requested change.

In addition, once per calendar year, a Shop Employee covered under the Full Plan may elect to move to the Shop Plan.

(2) Dental, Vision, and Hearing Benefits

Shop Employees enrolled in the Full Plan have Dental, Vision, and Hearing Benefits as set forth in Articles 7, 8, and 9.

Shop Employee Shop Employees enrolled in the Shop Plan do not have dental, vision, or hearing benefits.

RESTRUCTURE OF DOLLAR BANK – APPLICABLE TO SHOP EMPLOYEES WITH DOLLAR BANKS AND MEDICAL REIMBURSEMENT ACCOUNTS

As noted above, not all Shop Employees have Banks or Medical Reimbursement Accounts (MRA). The below explanation of the Restructure of the Dollar Bank, including references to “Participant,” is only applicable to Shop Employees who have existing Banks and MRAs by virtue of work under collective bargaining agreements covering other types of work and that require hourly Contributions.

Currently, one administrative account, the Dollar Bank, is maintained for each Participant and is used for both eligibility and the reimbursement of medical expenses. Going forward, this Dollar Bank will be separated into an Eligibility Dollar Bank and a Medical Reimbursement Account (MRA). **When this is done, no Participant will lose any amount already accrued in his/her Dollar Bank.**

A Participant’s Eligibility Dollar Bank and MRA will be established as follows:

1. Division of the Dollar Bank

- a. The lesser of the participant’s current Dollar Bank balance as of July 30, 2025, or three months premium (3x the monthly premium) will be put into the participant’s new Eligibility Dollar Bank.

- b. If the Participant's current Dollar Bank exceeds three months' premium, the excess over three months premium will be split 50/50 between the new Eligibility Bank Dollar and the MRA. However, if the deposit of this 50% to the new Eligibility Dollar Bank results in more than 12 months premium, the excess over 12 months premium will go to the MRA.
- c. The above split will be effective as of the September 2025 eligibility month.

Example 1: Participant A's Dollar Bank as of July 30, 2025, equals \$25,000. Three months premium, which is \$3,750, will be put in his new Eligibility Dollar Bank. Half of the remaining \$21,250, which is \$10,625, also will be placed in his new Eligibility Dollar Bank and \$10,625 will be placed in his new separate MRA.

In summary, \$14,375 is placed in his new Eligibility Dollar Bank and \$10,625 is placed in his new MRA ($\$14,375 + \$10,625 = \$25,000$) effective September 1, 2025.

Example 2: Participant B's Dollar Bank as of July 30, 2025, equals \$40,000. Three months premium, which is \$3,750, will be put in his new Eligibility Dollar Bank. Half of the remaining \$36,250 is \$18,125. The most, however, that can be placed in his Eligibility Dollar Bank is another nine months premium, which is \$11,250. Therefore, \$11,250 will be placed in his new Eligibility Dollar Bank and the remaining \$25,000 will be placed in his new separate MRA.

In summary, \$15,000 is placed in his new Eligibility Dollar Bank and \$25,000 is placed in his new MRA ($\$15,000 + \$25,000 = \$40,000$) effective September 1, 2025.

Example 3: Participant A's Dollar Bank as of July 30, 2025, equals \$3,000. All \$3,000 will be placed in his new Eligibility Dollar Bank because the amount is less than three months premium, which is \$3,750.

In summary, \$3,000 is placed in his new Eligibility Dollar Bank and \$0 is placed in his new MRA effective September 1, 2025.

2. Contributions Received for Work Months on or after July 2025

Contributions received for the work months on or after July 2025 (which provide October eligibility) and subsequent months will be allocated as follows:

- a. \$1 per hour of Contributions received will be credited to the Participant's MRA.
- b. The remaining Contributions received will be credited to the Participant's Eligibility Dollar Bank up to a total of 12 months premium, as Eligibility Dollar Banks will be capped at 12 months premium.

3. Late Contributions

If Contributions are received for work months prior to July 2025, these Contributions will be credited to the Participant's Eligibility Hour Bank (as if the Contributions had been timely received) until the Eligibility Hour Bank reaches 12 months premium, in which case the excess will be placed in the Participant's MRA.

4. Eligibility Dollar Bank Upon Retirement

Shop Employees are not eligible for Retiree coverage. However, there may be some circumstances where a Shop Employee qualifies for Retiree coverage due to work under other applicable collective bargaining agreements and therefore under terms of the Plan covering non-Shop Employees may qualify for Retiree coverage.

If a Participant becomes eligible for Retiree coverage, his/her Eligibility Dollar Bank will terminate and an amount equal to the amount that was in his/her Eligibility Dollar Bank immediately prior to retirement will be credited to his/her MRA. Amounts in the Retiree's MRA can be used to make self-payments.

A Retiree must notify the Fund Office if he/she returns to work. The Retiree will continue to make Retiree self-payments and will be reimbursed out of Contributions received up to the amount of the self-payment. Contributions designated for the MRA will be credited to the MRA. No other amounts will be credited to the Retiree. However, if a Retiree ceases drawing a pension benefit and informs the Fund Office that he/she desires to re-establish eligibility as an Active Employee, then Contributions will be credited in the same manner as for Actives (i.e. to the Eligibility Dollar Bank and the MRA).

5. Termination of Dollar Bank and MRA

Consistent with current Plan rules, the balance in a Participant's MRA will be cancelled and forfeited the earlier of the date: (a) the Participant is no longer eligible for coverage under the Plan; (b) there has been no activity (employer contributions or claims) for three years; or (c) when considered necessary in the sole and exclusive discretion of the Trustees to meet requirements of applicable law.

All amounts in a Participant's Eligibility Dollar Bank will be cancelled and forfeited if there are no Contributions for 12 consecutive months.

Notwithstanding, the Eligibility Bank and MRA, like all benefits under the Plan, are not vested and may be changed at any time in the sole discretion of the Trustees.

6. Benny Card/MRA Account Temporary Blackout Period

As you know, the Benny Card is a convenient way to access your MRA. To implement the above changes, it will be necessary to suspend the use of your Benny Card from July 30 to August 15, 2025. During this time, if you need to pay medical expenses out of pocket, please retain your receipts and submit these expenses for reimbursement with the enclosed claim form. These will be processed after the blackout period. If you incur medical expenses during this time and can wait until the end of the blackout period to pay them, then you can use your Benny Card to make payment after the end of the blackout period. (If you must enter into a payment plan for covered expenses during the blackout period, we caution that associated financing charges are not eligible for reimbursement.)

PREVIOUSLY MAILED ELIGIBILITY CARDS

Actives/ Dependents: As a reminder, new Medical ID cards were distributed by Independence in February 2025. If you have not received a new medical card or would like to request a replacement, call (833) 242-3330 or visit myibxtpabenefits.com.

NEW ELIGIBILITY CARDS

Please be on the lookout for three new ID cards arriving by mail in the coming months:

- a. **New benefit cards for Dental, Vision, and Hearing for Shop Employees in the Full Plan** will be mailed in mid-July. The card includes applicable benefits and contact information but is not required by providers for appointments or services.
- b. **New Prescription Rx Benefit cards** will be mailed in July by Express Scripts (ESI). You must present your new card at your pharmacy for prescriptions filled on or after August 1, 2025. **Your old Rx Benefit Card will not work.**
- c. **New MRA Benny Cards, for those eligible**, will be mailed in August. Along with this new card, you will receive information about a new mobile app and website that can be used for substantiation.

IMPORTANT: As noted above, you should have already received your new Medical ID Cards. You must keep and use these cards for medical services. The new cards listed above are additional cards, as applicable, for Dental, Vision, Hearing, Rx, and MRA Benny cards.

If you have any questions, please contact the Fund Office at (800) 700-6756.

**CENTRAL MIDWEST REGIONAL COUNCIL
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Important Fund Information