

IATSE local 504 Health & Welfare Trust Fund

Administered by: Benefit Programs Administration
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December 2023

Summary of Material Modification (SMM)

To: **Participants of I.A.T.S.E. Local 504 Health and Welfare Trust Fund**

Effective: **January 1, 2024**

Re: **Increase in the Number of Bank Hours up to 800 Hours and in the Number of Eligibility Quarters that you can Buy Up**

The I.A.T.S.E. Local 504 Health and Welfare Trust Fund (Fund) is pleased to announce that the number of Bank Hours increased (from 600 to 800 hours) and also that you can buy up to three consecutive Eligibility Quarters (instead of just two such quarters), effective January 1, 2024. By permitting you to maintain a larger hour bank and to buy up to three consecutive Eligibility Quarters, you can maintain health coverage for you and your dependents when work may be scarce or less plentiful. The new hour bank and buy up rules are set out below.

Bank Reserve Hours, Effective January 1, 2024

This new section below is inserted at the end of the section called, “Bank Reserve Hours” on page 5 of the Fund’s Summary Plan Description (SPD).

You may bank hours worked more than 600 hours per quarter up to a maximum of 800 hours, effective January 1, 2024. Before that date, you could only bank up to a maximum of 600 hours.

Bank reserves in excess of those hours allowed will automatically revert to the Fund’s general reserves.

Bank reserves will revert to the general fund one year after you discontinue coverage for any reason and do not reinstate coverage within said year.

Your bank reserve will apply only to Fund eligibility and cannot be converted to cash or otherwise be encumbered.

Buy Up Option Rule, Effective January 1, 2024

This new section below is inserted after the section called, “Buy Up Option Rule and Self-Payments to Continue Eligibility” on page 4 of the SPD.

If your contribution hours during an Eligibility Quarter total less than 300 hours, but are at least 150 hours, you may maintain your eligibility for benefits provided the health and welfare contributions received for your work during an Eligibility Quarter. , You may maintain your eligibility during the subsequent Benefit Quarter, provided you pay the Fund

the applicable rate per hour (currently \$5.00) for the number of hours necessary to bring your Eligibility Quarter hours up to 300 hours for the following Benefit Quarter. You can continue coverage under this rule for only three consecutive Benefit Quarters, effective January 1, 2024.

If your hours fall under 150 during an Eligibility Quarter, then you may elect COBRA and will be responsible for the full cost of benefits.

As a reminder, the Eligibility Table for Continuing Eligibility remains the same and is included here as a reference.

Eligibility Table for Continuing Eligibility:

**After Initial Eligibility
If You Work 300 or More
Hours During This Eligibility Quarter**

January – February – March
April – May – June
July - August – September
October - November - December

**You will Be Eligible
During This Benefit Quart**

May – June -- July
August – September - October
November – December - January
February – March – April

This Summary of Material Modification (SMM) supplements information contained in the Fund's SPD and should be read together with the SPD. Please keep this SMM with the SPD, along with any other SMMs. If you have any questions, please contact the Administration Office.

Under the Direction of the
Board of Trustees