



THE ROAD TO A *healthier* YOU

Dollar Bank Information

Beginning on September 1, 2021, eligibility will be month to month instead of quarterly, and you will need \$1,235 per month contributed for coverage.

A dollar bank system will allow new participants to gain insurance much quicker, which will help us recruit new members and help members that run out of insurance get back in quicker.

Health and HRA contributions are combined. However, the HRA isn't going away, to the contrary, you will actually put more money into your HRA under this system than just a dollar amount per hour because once your bank is full all extra money goes into your HRA.

Participants will get a minimum of three months of coverage in their bank to start (\$3,705) – this will help the transition and really help the members that have low hours.

If you have a full bank right now – the money you earn this summer in excess of the \$1,235/ month needed will be put in your HRA right away in September.

Different contracts can have different rates resulting in different hour thresholds for coverage (higher rate, fewer hours for eligibility, lower rate more hours for eligibility). This provides members with flexibility and choices when they are allocating their pay raises. If members work under an agreement where hours are plentiful, they can choose a lower health care rate and put more in their pension or on the check, or, if you put more into the health fund you will actually benefit from working more hours with increasing your individual HRA. This system provides choices for membership, the previous system provided no choices, and had no benefit for members that worked big hours.

If you work under an agreement that combined Health and Welfare and HRA is less than \$11.40 we will see how things shake out with eligibility, but we are seeding banks to ensure no one falls through cracks, and the board is ready to make adjustments if they see problems.

A Dollar Bank will allow a maximum of six-months coverage (\$7,410) – this is same as your current six month bank – once that is full, everything over \$1,235 per month goes into your HRA.

All contributions in excess of coverage requirement for the current month fill the Dollar Bank first, then flow into the HRA with no limitation.

Example: 160 hours worked at \$11.40 rate (combined HW rate and HRA) = \$1,824 in contributions (deduct \$1,235 for coverage) = \$589 to Dollar Bank or HRA. For someone with a full bank, they get \$589 to HRA in the new dollar bank system versus \$160 in the current system.

60 percent of our members have full banks – and another 30 percent have three months or more in their bank – this system will greatly benefit the majority of our members.

Remember, HRA dollars can be used for deductibles, coinsurance, dental, vision, other medical expenses, self-payments, retiree premiums.

The Board believes that this change will allow the Fund to remain healthy in the future, provide cost effective benefits to low hour members, and reward high hour members.

The Fund will be sustained by continual work hours, investment earnings, good management of healthcare expenses by members and the Board.