Benefits News

FOR ACTIVE AND RETIREE MEMBERS

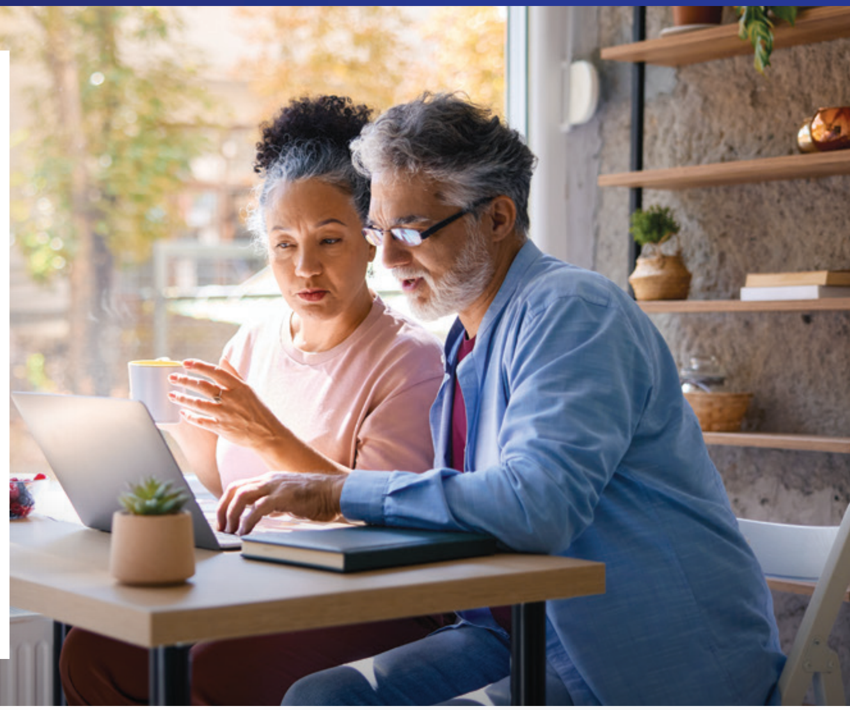
Summer 2026 (Issue 11)

Welcome

Welcome to the summer 2026 issue of *Benefits News*. This issue includes important updates about changes to the Fund's pre-Medicare retiree self-pay rates. If you're actively working and beginning to think about retirement, it's important to understand these changes and how they may affect what you pay for coverage.

Read through this issue, talk with your family, and reach out to the Fund Office with questions. The Fund wants to help you make informed decisions that best fit your healthcare and financial situation.

For more detailed benefits information, including the Summary Plan Description, please visit the Fund's website at **health49.org**.

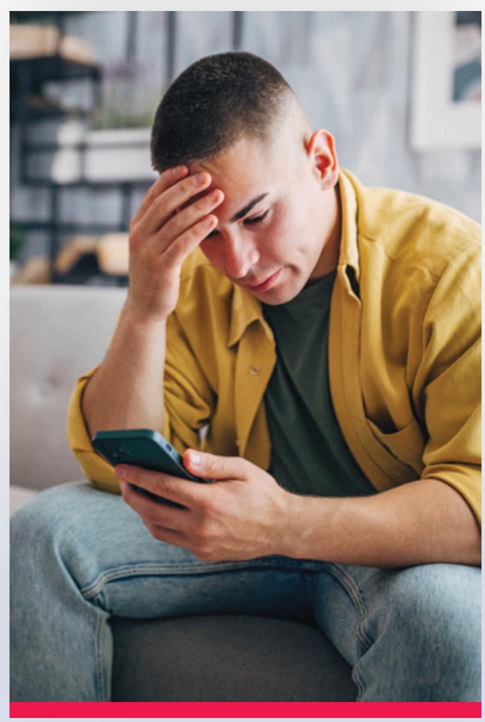


Feeling Stressed? Support Is Available

Financial stress is real. Big life decisions—like retirement, healthcare choices, and budgeting—can feel overwhelming. If you're feeling stressed, anxious, or unsure where to turn, you have confidential support through **TEAM**. TEAM connects you and your family with professionals who can help you navigate emotional, financial, and life challenges.

TEAM Wellness at Work

Call **800-634-7710**
or visit **startwithteam.com**.



Changes to Pre-Medicare Retiree Health Self-Pay Rates: Effective September 1, 2027

If you're thinking about retiring before age 65, there's an important update you should know about. The Board of Trustees approved a new **Pre-Medicare Retiree Discount Program** that changes how retiree self-pay amounts are calculated for some retirees, beginning September 1, 2027.

Here's what's changing—and *not* changing.

Who *Will* Be Affected?

The new **Pre-Medicare Retiree Discount Program** only applies to members who qualify for retiree coverage and enroll in the pre-Medicare retiree coverage **on or after September 1, 2027**. You're eligible for pre-Medicare medical coverage if you meet the requirements in the "Eligibility (Retired Employees)" section of the Summary Plan Description (SPD).

Pre-Medicare retiree coverage begins after you:

» Stop working;

» Deplete your Dollar Bank; and

» Notify the Fund Office that you want to retire.

No Changes for Current Retirees

If you're retired and enrolled in pre-Medicare retiree coverage, nothing will change on September 1, 2027. How self-pay rates are calculated for **current** pre-Medicare retirees will **not** change.

No Changes to Coverage Offered

The Fund will continue to offer the same comprehensive level of benefits coverage it's been offering pre-Medicare retirees. The only change is to how the self-pay rates will be calculated depending on your retirement date.

Planning Ahead? Help Is Available

If you're thinking about retirement and want help understanding how these changes could affect you, contact the Fund Office at **800-535-6373** (toll-free) or **952-854-0795**.

Important! Active members with full six-month Dollar Banks who want to participate in the current program, or in what will be referred to as the **Grandfathered Retiree Self-Pay Program**, should **stop working on or before December 31, 2026**. This will allow enough time to deplete your Dollar Banks before September 1, 2027.

If you're thinking about retirement, contact the Fund Office to understand your options and when you should stop working.

How Retiree Self-Pay Works Today

Currently, all pre-Medicare retirees pay a self-pay rate set by the Board of Trustees. The amount of the self-pay rate depends on when the retiree retired. In recent years, that rate has been approximately two-thirds of the actual cost of providing coverage.

From that self-pay amount, the Fund subtracts the value of any service credits earned under the **Retiree Contribution Allowance Program** (generally $30 per year of service for those who are eligible).

How Retiree Self-Pay Will Work Under the Pre-Medicare Retiree Discount Program Starting September 1, 2027

Under the new program, the Fund will determine what retirees pay for coverage (or their self-pay rate) differently than they currently do. Here are the basics:

- **Age 55** is the starting point.
- If you retire at **age 55**, you will pay **100% of the cost** of coverage.
- If you're older when you retire, you will pay a lower percentage. For every year **after age 55** that you retire, your cost will be discounted by **3% per year**.

How the Age-Based Discount Works

Here's how the discount breaks down:

Age	Discount
55	0%
56	3%
57	6%
58	9%
59	12%
60	15%
61	18%
62	21%
63	24%
64	27%

If you retire on or after September 1, 2027, and later return to work and re-retire, your discount percentage will be based on when you initially retired.

A Simple Example

Let's say the Board of Trustees determines that the cost of pre-Medicare retiree medical coverage for a given year is **$3,000 per month**. If a member retires at **age 58**, that's three years past age 55. They would receive a **9% discount** on the cost of coverage for each year until they reach Medicare eligibility.

$3,000 × 9% = $270 discount

- Monthly self-pay would be **$2,730** ($3,000 – $270) before applying any service credits.

What About Service Credits?

The Retiree Contribution Allowance Program is not changing. After your age-based discount is applied, the Fund will subtract the value of any service credits to determine your self-pay rate for coverage.