



International Brotherhood of Electrical Workers Local • 46
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PSEW HEALTHCARE PLAN UPDATE FOR MEMBERS October 2024

This is an update from your PSEW Healthcare Trustees on the status of the Healthcare Plan and upcoming Plan changes.

As a reminder, the PSEW Healthcare Trust offers several self-insured healthcare plans for members and retirees. Those plans include full family coverage for active IBEW 46 eligible members on Plan 1 and Plan 2, a Retiree Plan for retirees ages 55-65, and a Medicare Supplement Plan for Medicare Retirees. There are about 3500 Plan 1 members, 1000 Plan 2 members, and 1200 total retirees.

Plans 1 and 2 active coverage for members includes medical, dental, vision, hearing, prescription drugs, a dollar bank for future coverage, life and accident insurance, and short-term disability monthly payments. Plans 1 and 2 have the same Dental allowance of \$2500 per covered individual, but benefits vary in other ways.

Plan Financials. First, your Healthcare Trustees want to **thank all members** in the construction units for allocating some of your August 2024 raise to the Healthcare hourly rate. It's important for active members in Plan 1 and Plan 2 to contribute an amount from each negotiated wage increase to keep up with costs of medical, drug, and other plan expenses.

However, the most recent financial report shows that the **Unallocated Reserve Fund** has dropped significantly over the last year. The Unallocated Reserve Fund is used to cover additional expenses or make up the deficit if current monthly contributions do not cover them. There are several reasons the Trust has had to use the Unallocated Reserve money recently to cover expenses and why the Trustees **must take action now.**

Those reasons include:

1) Rise in costs of healthcare in recent years. Inflation, increasing concentration of health companies, and increased prescription prices have caused healthcare costs to increase 18.5% in the last three years. Medical and prescription drug costs are expected to rise 7% to 8% in 2025.

2) Large medical claims costs over the last two years, for claims like heart and liver disease, cancer, and devastating accidents, have added several million dollars in unexpected costs reducing the reserve account. The Trust carries Stop Loss insurance that will help reimburse some of the large claims but not all.



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3) Hours worked for all construction units since 2023 are down **13% or over 1 million fewer hours** worked. This is a huge loss of income to the Trust for the last two years. Fewer hours worked means less contribution money coming into the Trust Fund. Even during slow times, members use their dollar banks for medical coverage, so medical expenses have stayed consistently high.

Dollar Bank Change Effective January 1, 2025. The Healthcare Trust Office will soon mail out notices to Plan members of the dollar bank changes taking effect January 1, 2025. The **maximum dollar bank** that anyone will be able to accumulate going forward will be **four months**. This is a **one-month reduction** that will only affect those who have the full five months in their dollar bank as of January 1, 2025.

The Trustees **DO NOT** take this step lightly but are required to take action to sustain the overall viability of the Trust Fund for all participants. Given the significant change in plan finances, the Trustees may need to take further action to maintain Plan viability.

Plan Benefits. The good news is that the Trustees **extended** telemedicine visit coverage through the December 31, 2025. The Trustees also established a **NEW** Employee Assistance Plan benefit for members that took effect on March 1, 2024. Details of the EAP program will be sent to all Members and are available on the PSEW website at <https://www.psewtrusts.com/guidanceresources-employee-assistance-program-eap/>

Member Portal. If you have not already, don't forget to set up a new online account to check up on all of your Trust accounts. Go to the PSEW website at www.psewtrusts.com and click on the "Member Login" button. You will receive instructions to set up your account.

Check the PSEW Website for details of all Plan changes. www.psewtrusts.com

In Solidarity,

Your Healthcare Trustees
Sean Bagsby, Gillian Burlingham, Nicole Grant

GuidanceResources®

For Employees: What is the Employee Assistance Program?



The Employee Assistance Program is provided by ComPsych® GuidanceResources® and offers counseling, legal and financial consultation, work-life assistance and crisis intervention services to all our employees and their household family members.

Why provide an EAP?

Because we care about our employees and their dependents. The EAP can be used free of charge as needed when you or your dependents are facing emotional, financial, legal or other concerns.

Are the services confidential?

Yes, the EAP is strictly confidential. No information about your participation in the program is provided to your employer.

Why might my family or I use the services?

There are many reasons to use these services. You may wish to contact the EAP if you:

- Are feeling overwhelmed by the demands of balancing work and family
- Are experiencing stress, anxiety or depression
- Are dealing with grief and loss
- Need assistance with child or elder care concerns
- Have legal or financial questions
- Have concerns about substance abuse for yourself or a dependent

What happens when I call?

When you call, you will speak with a GuidanceConsultantSM, a master's- or PhD-level counselor who will collect some general information about you and will talk with you about your needs. The GuidanceConsultantSM will provide the name of a counselor who can assist you. You can then set up an appointment to speak with the counselor over the phone or schedule a face-to-face visit.

What counseling services does the EAP provide?

The EAP provides free short-term counseling with counselors in your area who can help you with your emotional concerns.

If the counselor determines that your issues can be resolved with short-term counseling, you will receive counseling through the EAP. However, if it is determined that the problem cannot be resolved in short-term counseling in the EAP and you will need longer-term treatment, you will be referred to a specialist early on and your insurance coverage will be activated.

Can my children use the EAP?

Yes. The EAP is a confidential benefit for employees and their household family members.

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Online: [guidanceresources.com](https://www.guidanceresources.com)
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