



STATIONARY ENGINEERS LOCAL 39 TRUST FUNDS

Date: November 2023

To: All Participants and Dependents (including COBRA beneficiaries) of the Stationary Engineers Local 39 Health & Welfare Fund

From: Board of Trustees
Stationary Engineers Local 39 Health & Welfare Plan

COBRA RATE CHANGE NOTICE

Effective January 1, 2024

This Participant notice advises you of certain changes that will be made to the COBRA rates for the Stationary Engineers Local 39 Health and Welfare Plan. **This information is VERY IMPORTANT to you and your dependents.** Please take the time to read it carefully.

The Board of Trustees of the Stationary Engineers Local 39 Health and Welfare Plan announces a change in the COBRA premium rates (premium calculation based on the formula prescribed by law):

The COBRA rates for the composite medical, prescription drug, dental and vision plan coverage are as follows. **The new premium rates will be effective for individuals who have COBRA coverage or elect COBRA coverage on or after January 1, 2024.**

COBRA COVERAGE TIMEFRAMES	CURRENT COMPOSITE COBRA PREMIUM RATES	NEW COMPOSITE COBRA PREMIUM RATES
18 month or 36 month COBRA period (per month)	Core Benefits: \$2,264 Full Benefits: \$2,383	Core Benefits: \$2,288 Full Benefits: \$2,405
11 month COBRA “disability extension” period (per month)	Core Benefits: \$3,329 Full Benefits: \$3,505	Core Benefits: \$3,365 Full Benefits: \$3,537

These COBRA rates above include 102% of the applicable premium for the 18 or 36-month COBRA rate and 150% of the applicable premium for the COBRA disability extension rate.

Disability extension: The maximum period of COBRA coverage may be extended to 29 months for certain specific reasons, including if the qualified beneficiary is determined by the Social Security Administration to have been disabled at some time before the 61st day after the covered employee's termination of employment or reduction in hours making the employee ineligible for coverage. Refer to your COBRA Election Notice or contact the Administrative Office regarding the procedure to notify the plan of a disability and other important information related to an extension of COBRA due to disability.

Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions.

If you would like to view or receive a copy of the actual amendments or have any questions, please contact the Administrative Office at 925-208-2280 or toll-free at 800-622-0547.

Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions regarding this Plan change, please contact the Administrative Office.

This document serves as your COBRA rate change notice from the Plan.

Because this Plan is a "grandfathered health plan," we are required by law to provide this notice to you:

This group health plan believes the Comprehensive Medical Indemnity plan is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted.

Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans for example the requirement for the provision of preventive health services without any cost sharing. However grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act for example the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Trust Fund Office 7180 Koll Center Parkway, Suite 200, Pleasanton, CA 94566, telephone number (925) 208-2280. You may also contact the Employee Benefits Security Administration U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

This document has been uploaded and is available on the participant website at: www.local39benefits.org

Stationary Engineers Local 39 Health and Welfare Plan

Exhibit 1: COBRA and Disability Extension Rates Effective January 1, 2024

Active Composite	Medical and Drug Benefits	Medical and Drug Benefits Plus Dental and Vision
January 1, 2023 Rates		
COBRA Rates	\$2,264	\$2,383
Disability Rates	\$3,329	\$3,505
January 1, 2024 Rates		
COBRA Rates	\$2,288	\$2,405
Disability Rates	\$3,365	\$3,537
% Change		
COBRA Rates	1.1%	0.9%
Disability Rates	1.1%	0.9%