



NORTHEAST CARPENTERS FUNDS

October 2022

Dear Northeast Carpenters Funds Participant,

The Boards of Trustees recently voted to merge the Northeast Carpenters Funds and the Carpenters Benefit Funds of Philadelphia & Vicinity to become the Eastern Atlantic States Carpenters Funds (“EASCF”) effective January 1, 2023. The Trustees are confident that this merger will be beneficial to the long-term financial health of the merged Funds and, most importantly, to you as a Participant and your dependent family members.

The merger will result in some changes going forward to your Benefit Plans. In the next few months, you will receive Summary Plan Descriptions for the newly merged plans and the Trustees will establish official Plan Documents. The new Plan Documents will control your entitlement to Benefits going forward beginning January 1, 2023. Any pension benefits you have accrued prior to January 1, 2023 will remain unchanged.

In the meantime, the Trustees wish to provide you with a summary of what changes you can expect after the merger. The following pages of this letter provide a brief overview of the most significant upcoming changes.

We understand that this is a lot of information to digest at one time, and you may have some questions. To that end, the Fund office will be holding online webinars where additional details will be presented, and you will have the opportunity to ask questions of the Fund staff. See the included flyer for dates.

ALL RETIREES COLLECTING A PENSION: IF YOU ARE A RETIREE COLLECTING A MONTHLY PENSION BENEFIT, THESE CHANGES WILL NOT AFFECT THE AMOUNT YOU ARE RECEIVING TODAY. THE PENSION CHANGES OUTLINED IN THIS NOTICE WILL ONLY AFFECT YOU IF YOU RETURN TO WORK ON OR AFTER JANUARY 1, 2023.

RETIREEES ELIGIBLE FOR HEALTH CARE COVERAGE:

- **NON-MEDICARE** - PLEASE SEE PAGES 4-5 FOR THE CHANGES THAT AFFECT YOUR HEALTH CARE BEGINNING JANUARY 1, 2023.
- **BLUE MEDICARE ADVANTAGE PLAN** - PLEASE SEE PAGE 6 FOR THE CHANGES THAT AFFECT YOUR HEALTH CARE BEGINNING JANUARY 1, 2023.

Sincerely

Pete Tonia
Executive Funds Director

FUND MERGER WEBINARS

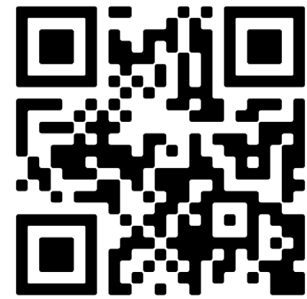
Please scan the QR codes below to register for upcoming webinars related to the merger and Plan changes that will affect you.

LIVE Q&A AT THE END OF EACH WEBINAR

Eastern Atlantic States (EAS) Pension and Annuity Plans

November 2, 2022 - 5:30pm

A detailed explanation of the new EAS Pension & Annuity Plans



Eastern Atlantic States (EAS) Health Plan

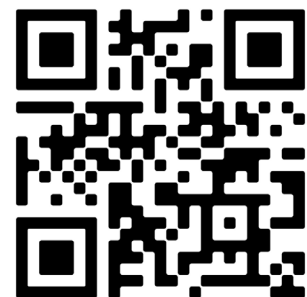
November 22, 2022 - 5:30pm

A detailed explanation of the new EAS Health Plan



For more information on these
upcoming changes visit the
Fund website

ncf.carpenters.fund



Pension Plan Changes Effective January 1, 2023

- ***Vesting Service***

For hours of service on or after January 1, 2023, you will earn vesting service as follows:

200-399 hours	¼ year vesting service
400-599 hours	½ year vesting service
600-799 hours	¾ year vesting service
800+ hours	1 year vesting service

- ***Ongoing Pension Plan Eligibility/Breaks in Service***

- You will need 200 hours per year beginning January 1, 2023 to maintain your eligibility
- If you have a Break In Service (less than 200 hours per year) you will need at least 800 hours in the next calendar year to regain eligibility and cure the Break In Service

- ***Early Retirement Reduction Factor and Eligibility***

- There is no change to the early retirement rules for accruals earned prior to January 1, 2023 for active participants
- For accruals earned on or after January 1, 2023, the early retirement reduction factor for retirement from active status is changing from 4% reduction per year prior to age 62 to 3% reduction per year prior to age 62
- For accruals earned on or after January 1, 2023, eligibility for unreduced early retirement benefits is changing from age 55 with the “Rule of 85” (age + years of service equal to 85) to age 55 with 30 years of service

- ***Disability Retirement Eligibility and Reduction Factor***

- The rules for disability benefits are changing for onset dates on or after January 1, 2023.
- Eligibility for disability retirement benefits is changing from at least five (5) years of service to at least ten (10) years of service
- The early retirement reduction factor for disability retirement is changing from 4% per year prior to age 62 (with a maximum reduction of 28%) to 3% per year prior to age 62 (with a maximum reduction of 21%)
- Eligibility for an unreduced disability retirement benefit is changing from at least ten (10) years of service to at least twenty (20) years of service

- ***Eligibility and Reduction Factor for Early Commencement of Deferred Vested Pensions***

- Eligibility for a deferred vested pension is changing from age 55 and at least ten (10) years of service to age 55 and vested
- There is no change to the early retirement rules for accruals earned prior to January 1, 2023 for deferred vested participants
- For accruals earned on or after January 1, 2023, the early retirement reduction factor for deferred vested pension is changing from 4% per year prior to age 62 to 6% per year prior to age 65

- ***Post-Retirement Death Benefit***

- A single lump sum death benefit of \$10,000 will be available for Normal, Early and Disabled retirees
- Deferred vested retirees will not be eligible for the post-retirement death benefit

- ***Pre-Retirement Survivor Benefit (Active at date of death)***

- The amount of the pre-retirement survivor benefit payable to the beneficiary of an unmarried, vested participant who is active at the time of death will be a lump sum equal to sixty (60) times the participant's accrued monthly pension
- The amount of the pre-retirement survivor benefit payable to the surviving spouse of a vested participant who is active at the time of death will be a lifetime pension equal to the 50% Joint & Survivor pension for deaths prior to age 62, or 100% Joint & Survivor pension for deaths on or after 62
- For participants whose first hour of service is on or after January 1, 2023, the pre-retirement survivor benefit payable to the surviving spouse of a vested participant who is active at the time of death is a lifetime pension equal to 50% of the participant's accrued monthly pension, with a guarantee of 120 payments

- ***Pre-Retirement Survivor Benefit (Inactive at date of death)***

- The amount of the pre-retirement survivor benefit payable to the surviving spouse of a terminated vested participant will be an immediate lump sum equal to the actuarial equivalent of 60 monthly payments of the participant's accrued benefit, or 50% of the Joint and 50% Survivor Annuity benefit payable at the Participant's earliest retirement date

Health Plan Changes Effective January 1, 2023

- ***Two Benefit Coverage levels***

- Gold Level (Formerly Level 2) – 90/10 Coinsurance Plan (\$1,000 out-of-pocket maximum per Individual / \$2,000 per Family)
 - 600 hours or more in the previous six (6) month period; or
 - 1200 hours or more in the previous twelve (12) month period
- Silver Level (Formerly Level 1) – 70/30 Coinsurance Plan (\$2,000 out-of-pocket maximum per Individual / \$4,000 per Family)
 - 450 hours or more in the previous six (6) month period; or
 - 900 hours or more in the previous twelve (12) month period
- You will no longer be able to buy up to the next highest level of coverage

- ***Out-of-Network Benefits***

- Gold Level
 - \$10,000 deductible
 - 50/50 Coinsurance
 - \$15,000 out-of-pocket maximum
- Silver Level
 - \$20,000 deductible
 - 50/50 Coinsurance
 - \$30,000 out-of-pocket maximum

- ***Prescription Benefits***

- Generic Co-pay
 - 30-day supply - \$5.00
 - 90-day supply - \$10.00
- Preferred Co-pay
 - 30-day supply – 25% of cost, subject to a maximum of \$75
 - 90-day supply – 25% of cost, subject to a maximum of \$150

- Non-Preferred Co-pay
 - 40% of total cost of medication
- Out-of-pocket maximum
 - \$6,000 individual/\$12,000 family

- ***Other Benefits***

- Ambulance reimbursement up to \$1,000 and out-of-pocket maximum of \$1,000 paid by the Fund Office
- Temple Health Nurse Program and Temple Health Heart/Lung Scans for men age 40+ and women age 50+
- Addition of Hearing Benefit with a \$1,200 allowance every two (2) years administered by Audionet
- Death benefit of \$35,000 for active participants and \$5,000 for dependents
- Surviving Spouse health benefits
 - 12 months of runout coverage from the date of death, then offered COBRA
- Disability benefit
 - Health Plan eligibility and Pension Credits for 30 hours a week
 - \$550 weekly stipend for up to a maximum of 24 months, offset by amounts received through New Jersey's state disability benefit

Retiree Health Changes Effective January 1, 2023

- ***Eligibility for Retiree Health Coverage***

Effective January 1, 2023, eligibility for Retiree Health coverage will be based on a credit system as follows:

- A maximum of 1 credit per Plan Year
- Gold Plan eligibility period = 0.50 credit
- Silver Plan eligibility = 0.25 credit
- Missed eligibility period = 0 credit

Credits needed to qualify for Retiree Health Coverage:

- Credit requirements to retire with Gold Level Health Coverage:
- 25 Credits – If first hour of service is before April 1, 2011
- 30 Credits – If first hour of service is after April 1, 2011
 - Need to be Active in the TWO benefit periods prior to retirement commencement date

Previous Health Care Credited Service

- All previous Health Care Credited Service periods will be carried over and combined with the new credit system

- ***Runout of Active Plan coverage at retirement***

- If you retire on or after January 1, 2023, and you are not otherwise eligible for retiree health coverage, you will remain eligible for coverage under the Active Plan for the remainder of the current benefit period
- If you are otherwise eligible for retiree health coverage, you will remain eligible for coverage under the Active Plan for the remainder of the current benefit period PLUS one more benefit period

- ***Surviving Spouse coverage***

- Your surviving spouse will remain eligible for coverage for a period of 12 months from the date of your death and then will be eligible to pay the COBRA premium rate to continue coverage for the remainder of his or her life

- ***Medicare Coverage***

- If you are Medicare eligible, your retiree health coverage will include an option to purchase dental and vision benefits at a higher premium effective April 1, 2023

Medicare Blue Advantage Plan Changes Effective January 1, 2023

- Your Medical Benefits, Medicare Part A & B will continue to be administered through Blue Medicare Advantage with no change to your out-of-pocket maximum amounts
- Your Prescription Benefits, Medicare Part D, will be administered through an Express Scripts plan beginning on January 1, 2023. The copay structure for that plan will change. The new copays will be:
 - Generic Co-pay
 - 30-day supply - \$5.00
 - 90-day supply - \$10.00
 - Preferred Co-pay
 - 30-day supply – 25% of cost, subject to a maximum of \$75
 - 90-day supply – 25% of cost, subject to a maximum of \$150
 - Non-Preferred Co-pay
 - 40% of total cost of medication
 - Specialty Co-pay
 - 25% of total cost of medication

You will receive new ID Cards for your coverages effective January 1, 2023. Please look for 2 new cards to be mailed in late December:

Blue Medicare Medical Card
Express Scripts EGWP Prescription Card

Copies of the Evidence of Coverage and the Benefit/Formulary Guides will be made available from the vendors and will be posted to the Fund's website: members.ncf.fund later in the year.

Additionally, effective April 1, 2023 there will now be an option to purchase Cigna Dental and Davis Vision Benefits as part of your monthly premium. Details on those plans and the premium amount will be mailed in January.

If you have any questions regarding the merger or the changes to the Medicare Plan please call the Fund Office at 732-417-3900.



NORTHEAST CARPENTERS FUNDS

91 FIELDCREST AVENUE, RARITAN PLAZA II, 2ND FLOOR
EDISON, NJ 08837



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**IMPORTANT BENEFIT FUND MERGER
INFORMATION INSIDE**