

# Benefits Spotlight

## Equity-League Benefit Funds Newsletter

### Highlights of What's Inside

- ➔ Reminder: Eligibility is now easier
- ➔ Open Enrollment reminder
- ➔ It's flu season: Remember to get vaccinated
- ➔ New missed appointment fee for Spring Health services
- ➔ 401(k) contribution limits for 2026
- ➔ And more!

See the "Annual Funding Notice for the Equity-League Pension Trust Fund" insert in the middle of this issue



gettyimages  
Credit: Terry Papoulias

## New & Improved Eligibility Rules Make It Easier To Earn & Keep Your Equity-League Coverage!

**Starting August 1, 2025, the Trustees made it easier for you to earn and keep your coverage with new eligibility rules.** The Board of Trustees are pleased to make these changes and provide additional opportunities for individuals to earn and maintain coverage.

### Earning Coverage Is Easier!

Under the new rules, you must work at least 10 weeks in a 12-month period to be eligible for 6 months of health coverage at any level. This is a reduction from the previous requirement of 11 weeks. It applies to participants who are newly eligible or requalifying after a gap in coverage.

#### Tier 1:

You must work 15 weeks or more in a 12-month period. **THIS IS NOT CHANGING.**

#### Tier 2:

You must work 10 weeks or more in a 12-month period. **Reduced from 11 weeks to 10 weeks.**

In addition to reducing the requirement to 10 weeks, a second change was made that is also designed to help you qualify for coverage. If you do not have 10 weeks to use to qualify for Tier 2 coverage, there is now a way to still qualify for coverage. You need to have 9 weeks available in the applicable 12-month accumulation period, **AND** you need to have worked and earned at least 9 weeks, whether used or not, in the immediately prior 12-month accumulation period.

### And Continuing Your Coverage Is Easier, Too!

It is also easier to continue your coverage for another 6-month period. **If you are already enrolled in coverage, you only need 9 weeks to earn Tier 2 coverage for the next coverage period, while still having the option to buy up to Tier 1.**

You can read more about the new rules on our website.



## Prescription Drug Benefit Improvements Coming in 2026

The Trustees have selected a new pharmacy benefits manager (PBM) for participants that elect and pay for Tiers 1 and 2 Cigna medical plan coverage. (If you are enrolled in an HMO, you will continue to receive your pharmacy benefits through your HMO.)

**Starting January 1, 2026, MedImpact is replacing OptumRX as the Fund's PBM.**

**Your prescription drug benefits are not changing.** The coinsurance rates, copay amounts, deductible amount, and tier structure will remain the same on January 1, 2026. We're only changing the pharmacy carrier.

**Read the announcement on our website. It has instructions for what you need to do to be ready for this change.**

## Need Care But Don't Want to Leave Your House?

The Health Plan offers telehealth services. You can use **MDLIVE** to see a board-certified doctor via secure video on your smartphone, tablet, or computer 24/7/365—**for free!** It's ideal if you're on the road, or if you just don't want to get out of bed. MDLIVE is currently available only to participants covered by the Cigna medical plan. It is not available if you're enrolled in the Medicare Supplemental program or the HMO options. You can also get virtual care using the myCigna app. Read more about this important benefit on our website.



# Open Enrollment Reminder

## You have until January 5, 2026 to make changes

If your current Equity-League Health Fund medical plan coverage continues into 2026, your opportunity to make changes to your benefits lasts until January 5, 2026.

During Open Enrollment, you can:

- ➔ Enroll in a different medical plan, where available (Cigna or HMO). (Your vision coverage will not change.)
- ➔ Enroll in or switch dental coverage (HMO or PPO).
- ➔ Add medical and/or dental coverage for a dependent.

You will not be eligible to change Tiers during Open Enrollment. However, if your current coverage period ends December 31 and you re-qualify for six months of coverage on January 1, you may have options to elect a different Tier. That is explained as part of a separate notice that we sent you informing you of what Tier of coverage you qualify for.

### What you need to know

- ➔ Open Enrollment ran from November 1-December 1
- ➔ If you missed the deadline, you can still enroll through January 5, 2026. But you'll pay a \$100 penalty. No enrollments will be accepted after January 5, 2026, even with a penalty payment (unless you satisfy one of the Health Fund's limited Special Enrollment exceptions).
- ➔ **If you don't want to make changes or additions, you don't need to take any action.** Your current benefits will automatically roll over to 2026.
- ➔ Changes and additions are effective January 1, 2026.

### What you need to do

- ➔ Review your medical and dental benefit options.
- ➔ Visit our website for more information.

## Progyny Fertility and Family-Building Benefits



Through our partnership with Progyny, we now offer in-network only fertility and family-building, pregnancy and postpartum, and menopause and midlife care benefits. Progyny is a leading fertility and family building organization that specializes in this type of care. Progyny provides a strong combination of support and guidance. The Progyny benefit is available to participants enrolled in the Health Plan with Cigna in either Tier 1 or 2. Dependent children though up to age 26 are not covered by these benefits, except in instances for fertility preservation necessitated by cancer or gender dysphoria treatment. Read more on our website.



# It's Flu Season—And We've Got You Covered!

Flu season is here. That means it's time to consider getting your annual flu shot and other vaccines. Vaccines help your immune system fight infections faster and more effectively. When you get a vaccine, it sparks your immune response, helping your body fight off and remember the germ so it can attack it if the germ ever invades again.

**We know there's a lot of talk about flu shots, COVID shots and other vaccines right now. Nothing is changing for your Health Fund coverage.** We're closely monitoring the decisions coming out of Washington, DC, as well as with some states making their own policy decisions, and will keep you posted if anything impacts your benefits and coverage from the Fund. **Our coverage of flu shots and COVID vaccines is staying the same.**

**You have two ways to get your flu shot that will be covered under the Health Plan—at your doctor's office or at a pharmacy.**

## Flu shots and vaccines covered by Optum Rx and MedImpact

Flu shots will be covered by Optum Rx through December 31, 2025 and by MedImpact starting January 1, 2026.

Your prescription drug benefits for both Tiers cover flu shots and other vaccinations 100%, subject to the mandates of the Affordable Care Act (ACA), when you go to a retail pharmacy. You'll need to show the pharmacist your prescription drug benefit ID card. We recommend contacting your local pharmacy before you go to make sure the vaccination(s) that you want are available and to check if you need to make an appointment. Just about all major retail pharmacy chains are in the Optum Rx and MedImpact networks. Visit their websites or call their customer service departments for help finding a network pharmacy.



## Flu Shots and Vaccines Covered by Cigna/Kaiser HMO Plans

Flu shots and other vaccinations are also covered under the Cigna and Kaiser HMO medical plans at no cost—but only when obtained from in-network providers through their respective medical plan networks. For Cigna, this also includes retail pharmacies that are in-network. Coverage for vaccines obtained from an out-of-network medical provider not contracted with Cigna will be based on the rules for your Tier of coverage.

Some of the major participating in-network retail pharmacies with Cigna include Walgreens, Rite Aid, Duane Reade, Costco, etc. For a complete list, we have a flier on the flu shot page on our website from Cigna that lists other participating pharmacies that are in-network with Cigna. For a complete list of in-network providers, including locating retail pharmacies, please visit [www.mycigna.com](http://www.mycigna.com).

You shouldn't need to make an appointment to get a vaccine, but you should call your pharmacy to make sure your vaccine is available at that location—and to see if they suggest making an appointment.

Please remember to use your **Cigna Medical Card** when getting your vaccines at the retail pharmacy. The pharmacy will need the medical ID and group number listed on your ID card. Your pharmacist may also need to use one of the following BIN and PCN codes in order to make certain that the claim submitted to Cigna gets approved:

### Change Healthcare/Emdeon

- ➔ BIN: 004766
- ➔ PCN: COM62308

### OmniSYS

- ➔ BIN: 004303
- ➔ PCN: CIGPPOIMM

## Reminder for participants with Cigna coverage

CVS retail pharmacies that do not have CVS MinuteClinics and HealthHUBs are considered out-of-network providers. Only vaccines obtained at CVS locations with MinuteClinics and HealthHUBs would be processed as an in-network benefit. Even though CVS is not in the Cigna retail pharmacy network, you can still use your prescription drug benefit coverage at any CVS pharmacy location in order to get your vaccines covered!

## Mental Health and Substance Use Benefits Reminder

Earlier this year, the Health Plan partnered with Spring Health to ensure that you can easily get mental health support whenever and wherever you need it. Spring Health offers personalized, convenient care and resources to support you through any of life's challenges. Services offered through Spring Health are available to all covered participants and their eligible covered dependents who have Cigna coverage. (Participants who have enrolled in any of the Fund's HMO plans with Kaiser or who have enrolled in Medicare as their primary coverage are not eligible for the Spring Health benefit.)

Spring Health has a network of over 10,000 mental health providers. You can make appointments in days (not weeks or months)!

As a reminder, you can still use Cigna to find providers for mental health and substance use care.

Spring Health offers therapy, coaching, medication prescribing, family support, 24/7 crisis support, and more. The program includes a library of self-guided exercises that can help you manage stress, calm anxiety, beat burnout, improve sleep, and be more mindful.

You can read more about this important benefit on our website.



### Spring Health's New Weight & Wellness Journey Program

Spring Health launched a new program—the Weight & Wellness Journey. The Weight and Wellness Journey connects participants to specialized therapy, coaching, and clinician-designed content focused on eating behaviors, body image, and health habits. This integrated approach helps you explore the emotional drivers behind patterns like stress, burnout, low motivation, and disconnection. The Weight & Wellness Journey program offers clinician-developed videos, access to therapists and coaches with expertise in health and wellness, and resources tailored to your needs. Spring Health has already launched Journeys for neurodiversity and family care and teen support. More Journeys will be coming soon, including the women's health, grief & loss, and caregiving. Check out our website for more information.

## New Missed Appointment Fee

While it's super easy to make an appointment with a Spring Health provider, it's important that you keep your appointments. Spring Health noticed that some individuals were booking appointments and then missing them—and not cancelling them either. As a result, a new policy has gone into effect. You can miss one appointment per year or cancel one appointment after the deadline per year without a penalty. However, please note that the cancellation or missed appointment will count as one session and will be deducted from the sessions that the Benefit Funds provide each year. After that, if you miss an appointment or cancel it too late, you will have to pay a fee that could be as much as the cost of the full session. This applies to therapy, coaching and medication management appointments. After you sign up for an appointment, Spring Health sends out email and text reminders to help you keep your appointment. These rules will also be explained when you make your appointments.

## Samuel J. Friedman Health Center for the Performing Arts - Mount Sinai

The Health Plan now covers in-network services 100% through Mount Sinai provided at the Samuel J. Friedman Health Center for the Performing Arts for those with Cigna health coverage. Health Plan participants with Tier 1 or Tier 2 Cigna coverage can receive primary and specialty in-network care at the Health Center at no cost to you—there are no copays, coinsurance or deductibles to meet. The Center is conveniently located in Times Square and offers many services in one location with same- or next-day appointments available—including primary care, urgent care, podiatry, sports medicine, gynecology, specialty referrals, and more. They even have extended weekday and weekend hours to accommodate live performance schedules. Read more on our website.





## 2026 Contribution Limits

The IRS sets an annual limit on 401(k) contributions, and the limits for 2026 were recently announced.

For 2025, you can still contribute up to \$23,500 through salary deferrals before the end of the year. For 2026, the annual limit on 401(k) contributions is increasing to \$24,500.

In addition, the IRS also has provisions that let people approaching retirement make what is known as catch-up contributions. Current law allows participants over age 50 to make catch-up contributions up to a limit (\$8,000 in 2026). This means that participants over age 50 are allowed to contribute more—up to \$32,500 in the 2026 calendar year (\$24,500 plus \$8,000).

Under the SECURE Act 2.0, there are different limits on catch-up contributions for participants who are 60 to 63 years old. In 2026, the amount of the additional catch-up contributions is staying at the same level as it was in 2025. The additional catch-up contribution amount is \$11,250. As a result, the contribution limit for participants who are 60 to 63 years old is \$35,750 (\$24,500 plus \$11,250) for 2026.

The law says that to be considered age 60, you must reach that age during the course of the calendar year (the same rule it uses for age 50). The law also says that to be considered age 64, you must turn that age during the calendar year.

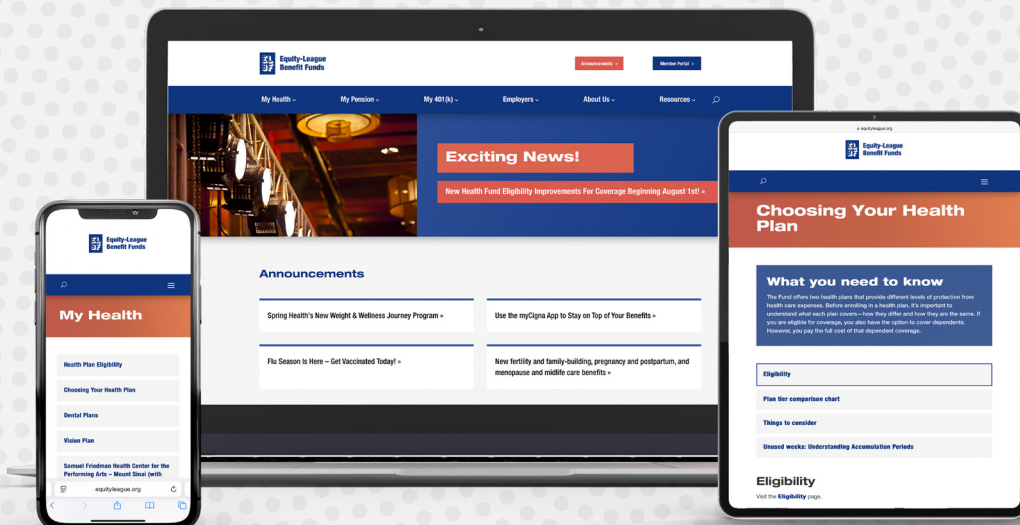
## Save the Date: Hancock Webinar Coming on 12/8

John Hancock provides webinars each year to help you learn more about your 401(k) Plan. The next webinar is scheduled for December 8. You can watch a video of the webinar on our website. The video will be posted soon.



## Have you visited our new and improved website?

We re-vamped our website to make it easier for you to learn about your benefits and discover how to make the most of the benefits we offer you and your family. Check it out today!



## Important Reminders

### Women's Health and Cancer Rights Act

The Women's Health and Cancer Rights Act is a federal law that provides protection for breast cancer patients who choose breast reconstruction in connection with a mastectomy. All group health plans, including HMOs that provide medical and surgical benefits in connection with a mastectomy, must also provide for reconstructive surgery in a manner determined in consultation with the patient and attending physician. If you or an enrolled dependent is a breast cancer patient, you should know that in addition to providing medical and surgical benefits in connection with a mastectomy, the Equity-League Health Plan also includes coverage for the following:

- ➔ Reconstruction of the breast on which the mastectomy was performed
- ➔ Surgery and reconstruction of the other breast to produce a symmetrical appearance
- ➔ Prostheses and treatment of physical complications at all stages of mastectomy, including lymphedemas

This coverage is subject to applicable copayments, referral requirements, annual deductibles, and coinsurance provisions. Review the applicable provisions of the Health Plan about any restrictions that may apply to you. If you have any questions about this coverage, please contact the Fund Office at **(212) 869-9380** (New York City area) or toll-free nationwide at **(800) 344-5220**.

### HIPAA Privacy Notice

If you would like to see the Health Plan's HIPAA Notice of Privacy Practices, which was last revised in September 2013, please visit [equityleague.org](http://equityleague.org), click on My Health, and then select Health Plan HIPAA Privacy Notice from the drop-down menu. Or, to request your own printed copy of the notice, contact us as directed below:

- ➔ **Email:** [health@equityleague.org](mailto:health@equityleague.org)
- ➔ **Mail:** Privacy Officer, Equity-League Health Benefit Fund, 165 West 46th Street, Suite 812, New York, NY 10036
- ➔ **Phone:** Call **(212) 869-9380** (New York City area) or toll-free nationwide at **(800) 344-5220**

The HIPAA Notice of Privacy Practices describes how the

Health Plan uses and discloses protected health information, and it also discusses important federal rights that you have with respect to your protected health information.

### Your right to request a pension benefit statement

If you would like to receive a detailed statement of the pension credit you've earned under the Equity-League Pension Plan, and whether you are vested, you must make the request in writing. Send your request to Equity-League's Benefit Services Department as directed below:

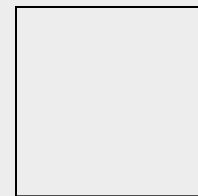
- ➔ **Email:** [pension@equityleague.org](mailto:pension@equityleague.org)
- ➔ **Mail:** Equity League Benefit Services Department  
165 West 46th Street, Suite 812, New York, NY 10036

You are entitled to receive a pension benefit statement, upon request, once every 12-month period. If you have questions, call the Benefit Services Department at **(212) 869-9380** (New York City area) or at **(800) 344-5220** (toll-free nationwide).

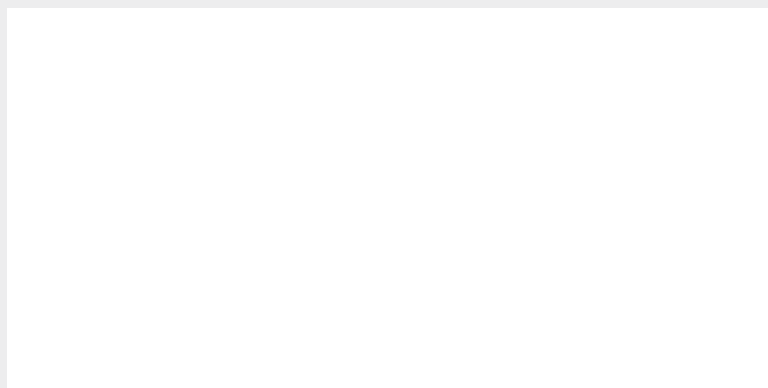


**Equity-League  
Benefit Funds**

165 West 46th Street, Suite 812  
New York, NY 10036



**Open Immediately!  
Important Benefit  
News Inside**



# Benefits Spotlight

**Equity-League Benefit Funds  
Newsletter**

**Fall 2025**

## Read this issue to find out about:

- ➔ Reminder: Eligibility is now easier
- ➔ Open Enrollment reminder
- ➔ Remember to get your flu shot
- ➔ New missed appointment fee for Spring Health services
- ➔ 401(k) contribution limits for 2026
- ➔ And more!

See the "Annual Funding Notice for the Equity-League Pension Trust Fund" insert in the middle of this issue

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## ANNUAL FUNDING NOTICE For EQUITY – LEAGUE PENSION TRUST FUND

### Introduction

This notice provides key details about your multiemployer pension plan (the “Plan”) for the plan year beginning June 1, 2024 and ending May 31, 2025 (“2024 Plan Year”).

**This is an informational notice. You do not need to respond or take any action.**

This notice includes:

- Information about your Plan’s funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

### What if I have questions about this notice, my Plan, or my benefits?

Contact your plan administrator at:

- Mr. Vincent Cinelli, Executive Director
- **Phone:** (212) 869-9380, or (800) 344-5220 toll free outside NYC
- **Address:** Equity-League Pension Trust Fund, 165 West 46th St, Suite 812, New York, NY 10036
- **Email:** [pension@equityleague.org](mailto:pension@equityleague.org)

To better assist you, provide your plan administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** Board of Trustees of the Equity-League Pension Trust Fund
- **Employer Identification Number:** 13-6696817

### What if I have questions about PBGC and the pension insurance program guarantees?

Visit [www.pbgc.gov/prac/multiemployer](http://www.pbgc.gov/prac/multiemployer) for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does



not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

## How Well Funded Is Your Plan?

The law requires the Plan's administrator to explain how well the Plan is funded, using a measure called the "funded percentage." The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the percentage, the better funded the plan. The chart below shows the Plan's funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan's assets and liabilities for those years.

### Funded Percentage

	2024 Plan Year	2023 Plan Year	2022 Plan Year
<b>Valuation Date</b>	June 1, 2024	June 1, 2023	June 1, 2022
<b>Funded Percentage</b>	102%	101%	101%
<b>Value of Assets</b>	\$2,256,007,552	\$2,159,540,221	\$2,093,530,684
<b>Value of Liabilities</b>	\$2,206,028,363	\$2,148,716,021	\$2,064,157,535

## Year-End Fair Market Value of Assets

To provide further insight into the Plan's financial position, the chart below shows the fair market value of the Plan's assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan's assets on June 1.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.
- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the plan's funding status.

	May 31, 2025	May 31, 2024	May 31, 2023
<b>Fair Market Value of Assets</b>	\$2,340,294,612*	\$2,230,340,727	\$2,029,046,809

\* Fair Market Value of Assets as of May 31, 2025 are preliminary.



## Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan's funding status determines the steps a plan must take to strengthen its finances and continue paying benefits:

- **Endangered:** The plan's funded percentage drops below 80 percent. The plan's trustees must adopt a funding improvement plan.
- **Critical:** The plan's funded percentage falls below 65 percent or meets other financial distress criteria. The plan's trustees must implement a rehabilitation plan.
- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent —meaning it will no longer have enough assets to pay out benefits—within 15 years (or within 20 years under a special rule). The plan's trustees must continue to implement the rehabilitation plan. The plan's sponsor may seek approval to amend the plan, including reducing current and future benefits.

**The Plan was not in endangered, critical, or critical and declining status in the Plan Year.**

## Participant and Beneficiary Information

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding plan years. The numbers for the Plan Year reflect the plan administrator's reasonable, good faith estimate.

Number of participants and beneficiaries on last day of relevant plan year	2024	2023	2022
1. Last day of plan year	May 31, 2025	May 31, 2024	May 31, 2023
2. Participants currently employed	24,000*	22,180	20,243
3. Participants and beneficiaries receiving benefits	10,100*	9,828	9,580
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	16,100*	16,294	16,527
5. Total number of covered participants and beneficiaries ( <i>Lines 2 + 3 + 4 = 5</i> )	50,200*	48,302	46,350

\* Participant counts as of May 31, 2025 are reasonable, good faith estimates.



## Funding & Investment Policies

### Funding Policy

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The Plan's funding policy is that the Plan is funded by contributions made by employers pursuant to collective bargaining agreements or other written participation agreements.

### Investment Policy

Pension plans also have investment policies that provide guidelines for making investment management decisions. The Plan's investment policy is to invest in a diversified group of asset classes with long-term policy target allocation as follows:

Asset Class	Effective Investment Policy Targets <sup>1</sup>	Long-Term Investment Policy Targets
Global Equities	31.2%	35.0%
Hedge Funds	12.4%	10.0%
Private Equity	20.0%	20.0%
Private Credit	20.8%	20.0%
Fixed Income	16.2%	15.0%

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

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<sup>1</sup> Values may not sum to 100% due to a temporary Effective Target to cash and rounding. The Equity-League Pension Trust Fund's Long-Term Target allocation to cash is 0%.



Asset Allocations	Percentage
1. Cash (interest and non-interest bearing)	<u>0.34%</u>
2. U.S. Government securities	<u>4.62%</u>
3. Corporate debt instruments (other than employer securities):	
Preferred	<u>4.74%</u>
All other	<u>5.25%</u>
4. Corporate stocks (other than employer securities):	
Preferred	<u>0.00%</u>
Common	<u>3.00%</u>
5. Partnership/joint venture interests	<u>65.92%</u>
6. Real estate (other than employer real property)	<u>0.00%</u>
7. Loans (other than to participants)	<u>0.00%</u>
8. Participant loans	<u>0.00%</u>
9. Value of interest in common and collective trusts	<u>5.82%</u>
10. Value of interest in pooled separate accounts	<u>0.00%</u>
11. Value of interest in master trust investment accounts	<u>0.00%</u>
12. Value of interest in 103-12 investment entities	<u>7.04%</u>
13. Value of interest in registered investment companies, like mutual funds	<u>2.85%</u>
14. Value of funds held in insurance company general account (unallocated contracts)	<u>0.00%</u>
15. Employer-related investments:	
Employer securities	<u>0.00%</u>
Employer real property	<u>0.00%</u>
16. Buildings and other property used in plan operation	<u>0.00%</u>
17. Other – Receivables	<u>0.422%</u>





For information about the Plan's investment in any of the following types of investments- common/ collective trusts or 103-12 investment entities - contact Mr. Vincent Cinelli, Executive Director, Equity-League Pension Trust Fund, 165 West 46th St, Suite 812, New York, NY 10036, (212) 869-9380, or (800) 344-5220 toll free outside NYC, or [pension@equityleague.org](mailto:pension@equityleague.org).

The average return on assets for the Plan Year was 8.07%.

## **Right to Request a Copy of the Annual Report**

Pension plans must file an annual report, called the **Form 5500**, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- **Online:** Visit [www.efast.dol.gov](http://www.efast.dol.gov) to search for your Plan's Form 5500.
- **By Mail:** Submit a written request to your plan administrator.
- **By Phone:** Call 202-693-8673 to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your plan administrator.

## **Summary of Rules Governing Insolvent Plans**

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by PBGC, below), the plan must apply to PBGC for financial assistance. PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.



## **Benefit Payments Guaranteed by PBGC**

Only vested benefits—those that you’ve earned and cannot forfeit—are guaranteed.

### **What PBGC Guarantees**

PBGC guarantees “basic benefits” including:

- Pension benefits at normal retirement age.
- Most early retirement benefits.
- Annuity benefits for survivors of plan participants.
- Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor’s bankruptcy date.

### **What PBGC Does Not Guarantee**

PBGC does not guarantee certain types of benefits, including:

- A participant’s pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.
- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.



## Determining Guarantee Amounts

The maximum benefit PBGC guarantees is set by law. Your plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is \$35.75 per month, multiplied by a participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first \$11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next \$33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

*Example 1:* Participant with a Monthly \$600 Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$600/10 = \$60$  accrual rate.
2. Apply PBGC formula:
  - a. Take 100 percent of the first \$11 = \$11
  - b. Take 75 percent of the next \$33 = \$24.75
3. Add the two amounts together:  $\$11 + \$24.75 = \$35.75$
4. Multiply by years of credited service:  $\$35.75 \times 10 \text{ years} = \$357.50$

In this example, the participant's guaranteed monthly benefit is \$357.50.

*Example 2:* Participant with a \$200 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$200/10 = \$20$  accrual rate.
2. Apply PBGC formula:
  - a. Take 100 percent of the first \$11 = \$11
  - b. Take 75 percent of the next \$9 = \$6.75
3. Add the two amounts together:  $\$11 + \$6.75 = \$17.75$
4. Multiply by years of credited service:  $\$17.75 \times 10 \text{ years} = \$177.50$

In this example, the participant's guaranteed monthly benefit is \$177.50.