

**SAN FRANCISCO ELECTRICAL WORKERS
HEALTH & WELFARE TRUST**
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June 2016

ANNOUNCEMENT TO ALL PLAN PARTICIPANTS

**ENCLOSED IS YOUR OPEN ENROLLMENT MATERIAL FOR
2016. ENROLLMENT CHANGES ARE ACCEPTED IN JULY
AND TAKE EFFECT AUGUST 1, 2016**

The Trustees met on May 24, 2016, and approved increases to provider renewals **with no changes in benefits**. As of the Plan Year ended January 31, 2016, the Plan's uncommitted reserves were \$23.8 million, representing an equivalent of 7.4 months of benefits and operating expenses, compared to uncommitted reserves of \$21.2 million equivalent to 7.1 months of benefits and operating expenses for the Plan Year ended January 31, 2015. The \$2.6 million increase in net assets as of the year end was due to a combination of factors including 1) a 7.2% increase in reported hours and 2) a \$0.25 per hour increase to the employer contribution rate effective June 1, 2015.

With the \$0.50 per hour increase to the contribution rate that took effect June 1, 2016, it is projected that the Plan's uncommitted reserves are sufficient to cover Plan expenses through the current Plan Year, assuming no significant decline in reported hours and modest investment returns. The Board of Trustees continues to monitor the Plan and are prepared to take action, as necessary, to ensure that the Plan remains healthy.

New COBRA Rates

The Plan's COBRA rate is the lesser of 1) the calculated rate based on the applicable premiums plus a 2% administrative charge, and 2) for "medical only", the hourly employer Plan contribution rate multiplied by the number of hours required for one month of Plan coverage; plus, for "full coverage", the cost of dental and vision. The following table, reflects the Active Plan COBRA rates that will apply for coverage beginning August 1, 2016 and ending July 31, 2017:

Plan	Medical Only	Medical, Dental & Vision (Full Coverage)
Self Funded PPO Plan	\$1,501.53	\$1,664.47
Kaiser Plan	\$1,159.90	\$1,322.84
Blue Shield HMO	\$1,650.00	\$1,812.94

If you have any questions regarding the change in benefits described above, please contact EISB at (415) 263-3670.