



Interior Lumbermen's Health & Welfare Plan

June 1, 2020

HOURLY EMPLOYERS

RE: MONTHLY REMITTANCE RATES

Each year rates for providers increase, resulting in increased costs to extended health, dental, life insurance and disability insurances causing the plan to absorb these costs. As a participating employer in the Health & Welfare Plan, you were previously notified that a surplus in the plan's reserve had been subsidizing your contribution rates since the last change in the premium rate in July 2019 and previous to that dating back to August 2014.

The current monthly cost to the plan of providing the benefits to an hourly employee is approximately \$343.00. This means the plan's surplus is decreasing by about \$43.00 per month for every hourly employee at the current \$300.00 rate. In fact, since July 2019, the plan has subsidized premiums by about \$928,800.

The Trustees are pleased they were able to subsidize premiums for such an extended period of time, but the surplus has been reduced to a level where it is no longer sustainable and premiums must be increased.

As a result the rate for an hourly employee under the age of 65 will be set at \$325.00 per month, effective with the July 2020 premiums. Premiums will be adjusted accordingly for employees between the ages of 65 and 69, and for employees aged 70 and over. A supply of new remittance forms is enclosed.

If you have any questions or concerns regarding this information, please call the Plan office at the numbers listed below.

Sincerely,

Gillian Kenny
Plan Administrator