

November 2020

TO: All Active Hotel Bargaining Unit Participants
AFL HOTEL & RESTAURANT WORKERS HEALTH & WELFARE TRUST FUND

FROM: Board of Trustees

SUBJECT: REVISED PANDEMIC RETURN TO WORK CREDIT RULE

In August, you were sent the enclosed notice that The Board of Trustees of the AFL Hotel & Restaurant Workers Health & Welfare Trust Fund had amended the Pandemic Furlough Credit Rule by adding a Return to Work Credit Rule to bridge a gap in benefit eligibility when Participants return to work.

As of October 2020 work hours, the Board of Trustees is amending the rule as to when an employee is determined to have Returned to Work, as follows:

- ***An employee will be deemed Returned to Work from furlough when he/she has one month of 80 or more compensable hours (based on employer's monthly reporting period) immediately following a month which he/she was on furlough.***

Example of how the Plan will administer this Return to Work Credit Rule:

1. Employer reports employee with 80+ compensable hours in the month of October
2. Plan considers employee Return to work in the month of October
3. November eligibility would be the "Free" eligible month
4. December eligibility the Plan would use the 80 Return to Work Credits
5. January eligibility is based on the 80+ compensable hours reported by employer in the month of October.
6. In this example, employees with less than 80 compensable hours in October would not be eligible for the Free eligible month or the Return to Work Credits (80).

An employee on furlough who earns 80+ compensable hours in an employer reporting month will be eligible for the "free month". An employee on furlough who earns 80+ compensable hours in an employer reporting month will also be eligible for the (one-time credit maximum) 80 Return to Work Credits, provided the employee had continuous eligibility under the plan.

Just a reminder, the Pandemic Furlough Credit Rule and Return to Work Credit Rules apply to all Hotel Active participants eligible for coverage on or after May 1, 2020. These provisions will cease if you become gainfully employed for 20 hours or more per week for four (4) consecutive weeks by an employer, other than a contributing employer; or if you are no longer furloughed.

Should you have any questions regarding the above or need assistance, please email the Trust Fund office at hiaflinfo@brmsonline.com or call (808) 523-0199; neighbor islands toll free at 1-866-772-8989.

August 2020

**TO: All Active Hotel Bargaining Unit Participants
AFL Hotel & Restaurant Workers Health & Welfare Trust Fund**

FROM: Board of Trustees

SUBJECT: Pandemic Furlough Credit Rule and Return to Work Credit Rule

At the July 17, 2020 Board of Trustees meeting, the Trustees amended the Pandemic Furlough Credit Rule by adding a Return to Work Credit Rule to bridge a gap in benefit eligibility when Participants return to work.

Pandemic Furlough Credit Rule and Return to Work Credit Rule

If while you are eligible for benefits a pandemic resulting in a furlough occurs, you will be given credit for **20 hours of Credited Work per week (applied to your Hour Bank)** for the duration of the furlough, **up to a maximum of 240 hours** for the furlough. **The 240 hours Furlough Credit maximum shall apply for the duration of the pandemic, regardless of the number of furlough periods.**

If you lose coverage because of a furlough, your eligibility shall be reinstated on the first day of the calendar month following the end of the furlough upon resumption of employment with a contributing employer. Your coverage shall not again be subject to termination for failure to meet the minimum Credited Work requirement until you have been covered for a full Eligibility Month, provided you continue to be employed by a contributing employer. **When you resume employment with a contributing employer and do not have sufficient work hours and Hour Bank hours for benefit eligibility, you will be given Credited Work hours up to a maximum of 80 hours, to bridge the gap for eligibility. These Credited Work hours are available only if you have returned to work and there is no break in coverage (you are covered continuously under the Plan). The 80 hours credit maximum shall apply, regardless of the number of times you return to work for the duration of the pandemic.** The Return to Work 80 hours maximum is separate and distinct from the Furlough Credit 240 hours maximum.

For purpose of the 80 hours return to work credit, a Participant shall be deemed to have returned to work upon completion of 80 hours each month for two consecutive months with a contributing employer.

As a reminder, the above rules apply to all Hotel Active plan participants eligible for coverage on or after May 1, 2020. Your Hour Bank cannot exceed the maximum of 100 hours. The Pandemic Furlough credit shall cease if you become gainfully employed for 20 hours or more per week for four (4) consecutive weeks by an employer, other than a contributing employer; or if you are no longer furloughed.

You may view your eligibility and current bank hours by visiting and enrolling at the Trust Fund's website at www.unitehere5trustbenefits.com

Should you have any questions regarding the above or need assistance please email the Trust Fund at hiaflinfo@brmsonline.com or call the office at 808-523-0199 or neighbor islands call toll free at 1-866-772-8989.

Disclosure of Grandfathered Status

The Trust Fund believes its group health plans are "grandfathered health plans" 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 plan administrator, Benefit & Risk Management Services, Inc., at 560 North Nimitz Highway, Suite 209, Honolulu, Hawaii 96817-5315 or 1-808-523-0199. 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.

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan. Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions.