

# Informer

A Quarterly Publication of the Southern California Pipe Trades Administrative Corporation

## Your Benefits Get Even Better

This *Informer* highlights recent retirement plan improvements that will increase your lifetime pension benefit. It also gives suggestions for making successful New Year's resolutions.

### Retirement Plan Improvements

Effective September 1, 2022, the SCPT Retirement Fund's Board of Trustees amended the Plan to improve pension benefits.

- The benefit accrual rate (multiplier) for pension hours earned on or after September 1, 2022 increased from **8.97 cents** (\$.0897) to **9.24 cents** (\$.0924) per pension hour.
- The benefit accrual rate for pension hours earned on or after September 1, 2022, for long-term participants who earned more than 25 pension credits, increased from **11.27 cents** (\$.1127) to **11.54 cents** (\$.1154) per pension hour.
- Pension benefits accrued before September 2022 increased by 3%.
- Pension benefits payable to pensioners, surviving spouses or beneficiaries with annuities that started on or before September 1, 2022, had their monthly benefit increase by 3%.

These changes are the latest in a series of retirement plan improvements introduced over the past 10 years. They are made possible by the negotiated increase of 50 cents per hour to the standard journeyman pension contribution rate.

The example on page 5 shows how the Plan's higher accrual rates provide a better pension benefit for a sample participant.

### THE UNION ADVANTAGE

Your Plan keeps getting better at a time when nearly half of American workers have no pension plan at all. In June 2022, a study by economist John Sabelhaus of the Wharton School of the University of Pennsylvania finds that "**47.7%** of workers are not covered by a retirement plan at work." The Bureau of Labor Statistics reports that in recent years only **17%** of nonunion workers have access to defined benefit pension plans that provide covered workers with guaranteed monthly benefits for their lifetimes. On the other hand, defined benefit pension plans are available to **79%** of union workers.



***No matter when you decide to retire, each pension hour you work helps build a secure monthly benefit for your lifetime.***

Your Plan offers choices in how to receive your pension. See your *Summary Plan Description* (SPD) for the forms of payment available to married and single participants.

### How Valuable Are Your Pension Benefits?

Unlike assets such as your car, a home or other investments, pension benefits you earn cannot go down in value. They don't fluctuate with the economy or the financial situation of any one employer. The more pension hours and years of covered employment you have, the bigger your pension will be. For many participants, your pension may be the greatest asset you earn.

Your Plan's average pensioner enjoys more than 20 years in retirement and receives approximately \$1,722 per month. The average participant retires by age 64. Last year, 144 pensioners celebrated their 80<sup>th</sup> birthdays. Another 36 reached 90. Today, the Plan has two centenarians.

**Note:** Information in this publication is for general reference for the five Southern California Pipe Trades Funds only. This document does not take the place of official Plan Rules and Regulations.

# New Year's Resolutions That Stick

Research shows that about **40%** of Americans make New Year's resolutions, yet few are successful at keeping them. Year after year, **being healthier** is consistently the most popular resolution, whether that means exercising more, eating healthier or losing weight. **Saving money** is the next most popular resolution.

According to *U.S. News & World Report*, the failure rate for New Year's resolutions is about 80 percent and most people give up by mid-February.

## How to Keep Your Resolutions

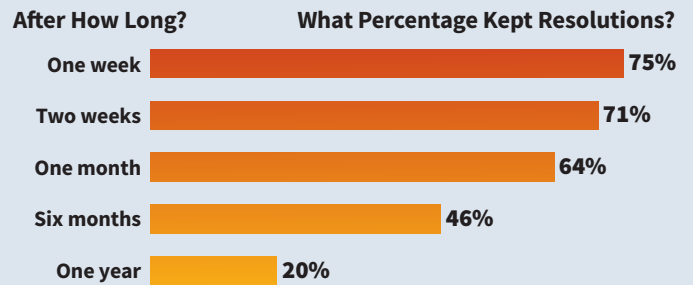
Decide to be among those who make successful goals for the new year. Experts say you are more likely to succeed if you set goals that fit your passions and lifestyle.

**Be specific.** For example, rather than saying you want to lose weight, define exactly how much weight you want to lose and visualize how good you'll look and feel when achieved. Nutritionists say a healthy goal is to lose one to two pounds per week. Don't just say you want to exercise more. Resolve to exercise for 30 minutes, five days a week. Going to the gym every day may not be realistic. Perhaps try different types of physical activity several days per week. Try walking more, taking the stairs instead of the elevator or exercising while watching TV.

**Be realistic.** Prioritize goals you really want to achieve and feel strongly about. If you have not exercised in years, resolving to train for a marathon is not realistic. If you rarely eat vegetables, rather than committing to eat five servings a day, try adding one serving per meal. Work your way up to more servings per day over the course of the year. Break your overall goals into smaller challenges and reward yourself for each step you accomplish. Keep track of your progress.

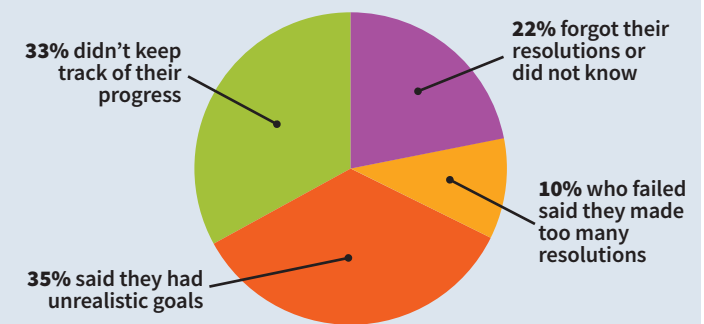
**Get support from others.** Share your goals with others who can help you stay on track. Your primary care doctor can be one of the best advocates to help you get or stay healthy. Regular checkups and preventive screenings are also essential. They can identify minor health issues before they become bigger problems. Your doctor can help you prioritize what you should focus on first and why. If you need to find a network doctor, log in at [www.blueshieldca.com](http://www.blueshieldca.com) or use their app.

## Success Rates for Those who Made New Year's Resolutions



By comparison, for those who had similar goals but did not set resolutions, only 4% were successful after six months. Few made it to year-end.

## Reasons for Failure for Those who Made New Year's Resolutions



## What if Saving More for Retirement is Your New Year's Resolution?

One of the easiest ways to set a realistic retirement savings goal is to log into your online account at [myplan.johnhancock.com](http://myplan.johnhancock.com). Use the automatic retirement planning calculator to compare your retirement savings with your projected spending needs. Select the highest hourly deferral rate you can afford to contribute now. To begin retirement plan contributions or make changes, simply complete the *Enrollment/Change/Opt-Out Form* available at [www.scptac.org](http://www.scptac.org) and give it to your employer. Remember, increased contributions help your savings compound longer, increasing the total available at retirement. But you must stay within each year's contribution limits explained below.

## Retirement Contribution Limits Increase for 2023

The annual IRS retirement contribution limits will increase effective January 1, 2023.

- If you are under age 50 by the end of next year, the total contributions you can make to all 401(k) plans will be **\$22,500** (up from **\$20,500**).
- If you are age 50 or older by the end of next year, the **\$7,500** catch-up contribution increases the total contributions you can make to all 401(k) plans to **\$30,000** (up from **\$27,000**).

If you have questions, contact the Fund Office retirement plan representatives at **(800) 595-7473**.

## Annual Coordination of Benefits Form Required

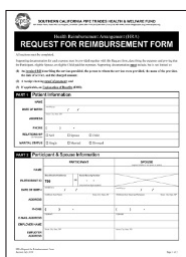
Each year, all participants eligible under either the Health & Welfare Fund or the Pensioners & Surviving Spouses Health Fund must complete an *Annual Coordination of Benefits Form*. If you don't, your medical and prescription drug claims will be denied. This form will be sent to all eligible participants in December 2022. You can also download the *Annual Coordination of Benefits Form* at [www.scptac.org](http://www.scptac.org) to fill out, print and mail to the Fund Office.

# IMPORTANT REMINDERS

## Health Reimbursement Arrangement (HRA)

Have you used your HRA allowance to request reimbursement for out-of-pocket health expenses? HRA allowances can reimburse expenses you and your covered dependents incurred that were not covered by your medical, dental, vision or prescription drug coverage—such as deductibles, copayments, premiums and certain non-covered expenses. For examples, refer to *IRS Publication 502* at [tinyurl.com/scptac-p502](http://tinyurl.com/scptac-p502). To submit expenses for reimbursement, file your claim and upload the required supporting documents online by using the SCPT HRA portal or mobile app. Or complete the *HRA Reimbursement Form* and enclose the required supporting documents. Keep your receipts for seven years following IRS guidelines. Download the form at [www.scptac.org](http://www.scptac.org) or ask the Fund Office or your local union for a copy.

## Health & Welfare Fund: Vacation and Holiday Benefit Plan Payments



Your employer contributes to your Vacation & Holiday individual account based on the number of hours you work. Under the Normal Benefit option, *holiday payments are automatically issued between December 1st-10th. No forms are required.* In addition to the automatic payouts in April and December, you may request one Interim Withdrawal each calendar year to receive 100% of your available balance.

Under the Monthly Benefit option, you may instead elect to have your available balance deposited into your bank account at the beginning of each month. Both options are free of charge. Contact the Fund Office for details.

## Christmas Bonus Payments

The Christmas Bonus Plan provides an extra December benefit to eligible retirees, surviving spouses or beneficiaries of the Southern California Pipe Trades Retirement Fund. Christmas bonus payments were developed through negotiating efforts of District Council #16 and participating employers. Contributions paid into the Fund are based on hours worked by active members. Covered participants must be in “good standing” with their local unions and meet additional eligibility requirements. See your *Summary Plan Description* (SPD) for details.



## Tax Forms Mailed in January

By January 31 each year, the Fund Office sends retirees and beneficiaries Internal Revenue Service *Form 1099R* (and *Form 1099M* if you also received a Christmas Bonus benefit). These forms show the total Plan benefits received during the past calendar year. They also show any federal or state taxes withheld that year. Contact your tax advisor if you have questions about how much to withhold in the future.

## Update Your Plan Address

If you moved recently, make sure the Fund Office has your new mailing address on file—or your tax forms or other notices may be delayed or returned. The only way to update your Plan address is by submitting a *Change of Address Form* to the Fund Office. Download and print the form at [www.scptac.org](http://www.scptac.org) or ask the Fund Office or your local union for a copy.

# A N N U A L N O T I C E S

## Availability of HIPAA Notice of Privacy Practices

The Health and Portability and Accountability Act (HIPAA) provides rules that allow for greater control over who may access your health records. The Southern California Pipe Trades Health & Welfare Fund and Southern California Pipe Trades Pensioners & Surviving Spouses Health Fund provide health benefits to eligible participants and their covered dependents as described in the *Summary Plan Description* (SPD).

The Plans maintain a privacy policy pursuant to HIPAA as is required by law that provides notice to participants of the Plans’ duties and privacy practices, and describes the ways that the Plans use and disclose Protected Health Information (PHI).

To receive a copy of the Plans’ notice of privacy practices, send a written request to Southern California Pipe Trades Administrative Corporation, Attn: Privacy & Security Officer, 501 Shatto Place, Suite 500, Los Angeles, CA 90020 or visit the web site at [www.scptac.org](http://www.scptac.org).

## Women’s Health & Cancer Rights Act of 1998

The Women’s Health and Cancer Rights Act (WHCRA) provides protection for patients who elect breast reconstruction in connection with a mastectomy. For Plan participants and covered dependents receiving benefits in connection with a medically necessary mastectomy, the Plan currently provides reconstructive surgery and other benefits related to a mastectomy.

This coverage must include:

- All stages of 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 of the mastectomy, including lymphedema.

# RECENT BENEFIT UPDATES

The Board of Trustees sent recent benefit updates (called *Supplements*) listed below. Contact the Fund Office at **(800) 595-7473** if you need copies. Supplements can also be downloaded from the Fund Office website at [www.scptac.org](http://www.scptac.org). Keep these updates with your *Summary Plan Description* (SPD).

**Pensioners & Surviving Spouses Health Fund**  
**Supplement #15: Change in 2023 Monthly Premiums**  
**Retirement Fund**  
**Supplement #5: Proof of Total Disability**

**Defined Contribution Fund**  
**Supplement #6: Reduction in Fees Charged to Accounts to Cover Plan Expenses**



# Simple Holiday Salad

This healthy meal bursts with flavor from aromatic basil, plump berries and peppery arugula.



## Ingredients (Serves 4)

- 1 lb. roasted chicken or turkey meat
- 3 tbsp extra virgin olive oil
- ½ teaspoon kosher salt
- ¼ teaspoon black pepper
- 2 tbsp white balsamic vinegar
- 1½ teaspoons honey
- 1½ teaspoons Dijon mustard
- 4 ounces mixed baby greens
- 4 ounces arugula
- 3 ounces fresh basil (stems removed) and large leaves torn
- 6 ounces fresh berries
- 2 ounces goat cheese, crumbled
- A handful of walnuts

## Directions

1. Cube meat to desired size.
2. Whisk together the olive oil, vinegar, honey, mustard, salt and pepper in a large bowl.
3. Add mixed greens and basil. Toss gently to coat.
4. Divide salad evenly among four plates and top with chicken, berries, walnuts and goat cheese.

## YOUR PLAN CONTACTS



**Southern California Pipe Trades  
Administrative Corporation**

**Fund Office:** (800) 595-7473 or [info@scptac.org](mailto:info@scptac.org)

### Defined Contribution Fund

John Hancock: (833) 388-6466 or [myplan.johnhancock.com](http://myplan.johnhancock.com)

### Health & Welfare Fund

Doctor on Demand: (800) 997-6196 or [doctorondemand.com](http://doctorondemand.com)

PlushCare: (888) 370-4689 or [plushcare.com](http://plushcare.com)

NurseHelp 24/7: (877) 304-0504

Delta Dental PPO: (800) 765-6003 or [www1.deltadentalins.com](http://www1.deltadentalins.com)

DeltaCare USA (DHMO): (800) 422-4234 or [www1.deltadentalins.com](http://www1.deltadentalins.com)

Vision Service Plan (VSP): (800) 877-7195 or [vsp.com](http://vsp.com)

Trustees of the Southern California Pipe Trades Health & Welfare, Pensioners & Surviving Spouses Health, Defined Contribution, Retirement and Christmas Bonus Funds

### UNION

Rodney Cobos, Co-Chair  
Shane Boston, Secretary  
David Baldwin  
Steven Beringer  
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Jason Gordon  
Chip Martin  
John Modjeski

Bryan Suttles  
Lawrence Verne  
David Zech

**Joel E. Brick, CEO & Administrator, Southern California Pipe Trades Administrative Corporation**

501 Shatto Place, Suite 500, Los Angeles, CA 90020 | [www.scptac.org](http://www.scptac.org) | [info@scptac.org](mailto:info@scptac.org) | (800) 595-7473 | (213) 385-6161 | Fax (213) 383-0725  
SCPTAC Office Hours: Monday, Tuesday, Wednesday & Friday - 8:00 a.m. to 4:00 p.m., Thursday - 8:00 a.m. to 6:00 p.m.

# How Retirement Dollars Add Up

**Even if retirement is 10, 20 or 30 years away, it's helpful to learn how the hours you work affect your pension benefit.**

The Southern California Pipe Trades Retirement Plan calculates your pension benefit based on contributions made by your employer and the pension hours you accrue. Since 1999, the calculation assigns a benefit value to each pension hour you work based on an accrual rate determined by the Trustees. *Every pension hour you work helps your benefit grow.*

## Ten-Year Example

Here's a snapshot of how a sample participant's pension adds up after just 10 years of covered work. (Your Plan's current average is 20 years of covered work at retirement.) This participant started covered work at age 55 in 2013 and wants to retire at age 65. After 10 years of covered work, his normal retirement benefit grew to **\$1,539** per month. If he retires at age 65, his lifetime pension benefit will be about **\$18,468** per year ( $\$1,539 \times 12$  months).

Ten years from now at age 75, this pensioner will have received about **\$184,680** in lifetime pension benefits ( $\$18,468 \times 10$  years). In 10 more years, the total received by age 85 would be **\$369,360**.


PLAN YEAR	PENSION HOURS	BENEFIT ACCRUAL RATE	ANNUAL ACCRUED BENEFIT
2013	800	x .0755 =	\$60*
2014	2,000	x .0755 =	\$151
2015	1,500	x .0791 =	\$119*
2016	2,040	x .0791 =	\$161
2017	2,040	x .0791 =	\$161
2018	2,040	x .0841 =	\$172*
2019	2,040	x .0841 =	\$172
2020	2,040	x .0841 =	\$172
2021	2,040	x .0897 =	\$183*
2022	2,040	x .0924 =	\$188*
<b>Total Monthly Normal Retirement Benefit at Age 65</b>			<b>\$1,539</b>

This participant started covered work in 2013 but only worked **800 hours** that year. Since he didn't have **at least 1,000 hours** that calendar year, he did not earn a vesting credit.

During the next five years, he worked **at least 1,000 hours** each year and became vested in **2018**.  
Once vested, you cannot lose your accumulated pension hours and pension credits. Vesting means you are entitled to receive a pension at retirement age even if you leave covered work or earn no additional pension or vesting credit.  
See your *Summary Plan Description* (SPD) for eligibility requirements and other details. You can review or download a copy at [scptac.org](http://scptac.org).

**Important Note:** Be careful if you stop working or change jobs before you are vested. Your SPD explains the rules related to vesting and breaks in service. Contact the Fund Office for more information.

**WHAT IT MEANS IN ANNUAL DOLLARS**  
**This participant's pension of \$1,539 x 12 = \$18,468 per year**



After 10 Years of Retirement: **\$184,680**  
 After 20 Years of Retirement: **\$369,360**

\*The Trustees increased accrual rates effective July 1 in years 2013 and 2015, and effective September 1 in years 2018, 2021 and recently in 2022. (Rates shown for these years are simplified for illustrative purposes.)  
 The Trustees increased the benefit accrual rate (multiplier) for pension hours earned on or after September 1, 2022 to 9.24 cents (\$.0924) per pension hour. For those who earned more than 25 pension credits, their pension hours will be calculated using the higher accrual rate (multiplier) of 11.54 cents (\$.1154) per pension hour.  
 The Trustees also increased pension benefits accrued before September 1, 2022 by 3%.

## What if You Work 25 Years or Longer?

*The more pension hours and years of covered work, the bigger your pension will be.* Once participants earn more than 25 pension credits, a higher accrual rate kicks in to affect future hours worked. Check your *Quarterly Statement* to see your pension credits and prorated pension hours earned so far. Pension credits determine when you are eligible to retire and how your pension hours affect your monthly benefit. **Note:** Plan participants can only earn up to one pension credit per calendar year. See your SPD for more details. For details about your vesting status or earned benefits, contact the Fund Office retirement representatives.

## Are You Vested?

As shown in the example above, vesting establishes the right to a future benefit from the retirement plan. Under current rules, you earn a vesting credit after working **at least 1,000 hours** during a calendar year and are vested after earning five vesting credits before a permanent break in work. **Note:** Not all your hours have to be with the same participating Employer. For details about your vesting status or earned benefits, contact the Fund Office retirement representatives.

Important  
Information  
About Your  
Benefits



# Informer

A Quarterly Publication of the Southern California Pipe Trades Administrative Corporation

DECEMBER 2022 | VOLUME 31 | ISSUE 4

The Board of Trustees to the **Southern California Pipe Trades** trust funds oversees the collectively bargained benefits available to you and your enrolled dependents.

This issue of *Informer* helps you understand the value of your benefits so you can:

- **Learn about** the pension benefit improvements
- **Understand** how your retirement benefits add up
- **Take advantage** of online and in-person wellness resources
- **Review** key benefit reminders and actions

Take a few minutes to read what's inside and share it with your family. For more information, contact the Fund Office at **(800) 595-7473**.

## WHAT'S INSIDE

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## Local Union 398 Wellness Winners

Southern California Pipe Trades Administrative Corporation representatives attended a picnic hosted by Local Union 398. Wellness screenings were available and prizes were raffled off to participants.



Isleasha Harbor won a Samsung Galaxy tablet.



Isiah Harbor won a Garmin Smartwatch.



Erik Urquidi won a Philips Sonicare electric toothbrush.