NZ

OUR 55TH YEAR

CONTRA COSTA CHAPTER

November 2018

<u>снандев сомінд то</u> Our Inside Employee Benefit Plans

We want to let all of our contributing employers know that the Board of Trustees for the Health and Pension funds for the Inside Agreement have made the decision to go to a "selfadministration" operation beginning in January of 2019. Managing the day-to-day operations of a health fund and a retirement fund present certain challenges to plan sponsors (NECA/IBEW)). Through the years we have utilized a number of professional third-party administrators to handle these functions for us. For the past ten years we have used Benesys Administrators. Although Benesys has done a fine job with our accounts, we have made a number of changes to our benefit plans over the past several years that now make self-administration a more logical choice.

<u>Move to Fidelity</u>. In 2010, the Retirement Trustees elected to convert our existing investments from a Trustee-directed arrangement to a participant-directed arrangement utilizing Fidelity Investments as our record keeper. Our Retirement Plan is of the "defined contribution" variety so this change eliminated most of the administration involved after the receipt and transfer of the employer contributions each month. Fidelity maintains all of the information on each plan participant and participants have 24/7 access to their account information. The participants

choose how and where their monies are invested. Fidelity also provides the monthly payments to our retirees and takes care of most of the government reporting.



<u>Move to NECA/STAR Level II</u>. Over the past five years we have been gradually converting our employer contributions receiving function to NECA/STAR in an effort to simplify the remitting function for our employers while improving the accuracy of the contributions at the individual participant level. We are now mandating that all employers remit using NECA/STAR (with the option of ACH Transfers), effective with hours worked in October of 2018. This will be an important component of the new self-administration system, as it eliminates a significant portion of the cost by utilizing technology rather than people to handle this function.



We are now mandating that all employers remit using NECA/STAR (with the option of ACH Transfers), effective with hours worked in October of 2018.

<u>Move to ASO with Anthem.</u> Our Health and Welfare Plan is somewhat unique in that roughly 60% of our active participants choose Kaiser for their medical insurance. Other than collecting the employer contributions and providing an eligibility list to Kaiser each month, there has not been a lot of administration work involved with this portion of our health plan. The other 40% of our participants choose our indemnity plan, where the Trust acts as its own insurance company paying for benefits out of the employer contributions and accumulated assets of the plan. This is known as a "self-funded" arrangement. We utilize the Anthem/Blue Cross network to get the most favorable prices for our self-funded medical claims. We also purchase stop-loss insurance to protect the plan from large losses. The self-funded plan has historically been the focal point of much of our health plan administration and cost.

In October, the Health Plan Trustees began implementing a change to our self-funded plan to have Anthem Blue Cross pay the self-funded claims through an ASO (Administrative Services Only) arrangement rather than through a third-party administrator. This has moved a significant portion of the administration of the self-funded plan from the Third-party Administrator to Anthem.



<u>The End Result</u>. The ultimate goal of any employee benefit program is to get the very best deal for your plan participants so that you are able to attract and maintain the best possible workforce. With the moves mentioned above, we have reduced much of the administrative burden that goes along with providing the best possible employee benefits. We have elected to hire new staff which will work under the auspices of our Labor-Management Cooperative Committee and Trust to perform the functions of administration for both the Health and Pension plans. If all goes well, you won't notice any changes during the transition.

Anthony Garcia will be our Plan Administrator and Alannah Crumm will be our Assistant Plan Administrator. Both have now begun to work on the transition of both plans. Anthony and Alannah come to us from Benesys, our current third-party administrator, so they are familiar with our Health and Retirement Plans already. We look forward to working with them on this important step forward. The anticipated end result should be better service at a lower cost for our participants and contractors.



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California Enacts New Record-Keeping Mandates in Response to Changing Federal Program

Beginning in 2019, employers in California will now be on the hook for recordkeeping violations well beyond the six-month statute of limitations. <u>Bill Number AB 2334</u> (Occupational injuries and illnesses: employer reporting requirements: electronic submission) co-sponsored by California Labor Federation and California Professional Firefighters was introduced by Thurmond (D) earlier this year, passed the State legislature and was signed by the Governor on September 19, 2018. The law goes into effect January 1, 2019.



AB 2334 changes the definition of "occurrence" in the California Labor Code for purposes of the statute of limitation for Cal/OSHA violations relating to recordkeeping. The legislature revised language in the Labor Code as follows:

A citation or notice shall not be issued by the division more than six months after the occurrence of the violation. For purposes of issuing a citation or notice for a violation of subdivision (b) or (c) of Section 6410, including any implementing related regulations, an "occurrence" continues until it is corrected, or the division discovers the violation, or the duty to comply with the violated requirement ceases to exist. Nothing in this paragraph is intended to alter the meaning of the term "occurrence" for violations of health and safety standards other than the recordkeeping requirements set forth in subdivision (b) or (c) of Section 6410, including related regulations.

This revised language provides that recordkeeping violations continue until they are corrected, until Cal/OSHA discovers the violation or until the duty to maintain the record no longer exists. In short, beginning January 1, 2019 Cal/OSHA has authority to issue citations for recordkeeping violations that exist during the entire five-year recordkeeping retention period.

Additionally, the bill also requires Cal/OSHA to monitor Federal OSHA's actions regarding the electronic submission of injury and illness records (*Improve Tracking of Workplace Injuries and Illnesses*). In the event Federal OSHA "eliminates or substantially diminishes" the electronic



submission requirements, Cal/OSHA is required to convene an advisory panel of both labor and management within 120 days to evaluate changes necessary to protect the goals of the electronic submission rule.

California employers should continue to review and update their work-related injury and illness records but should be prepared to see Cal/OSHA enforcement for recordkeeping violations that exist during the five year required retention period. And, if Federal OSHA eliminates the requirement for employers with 250 or more employees to electronically submit the 300 and 301 Forms, as is currently proposed, it is very possible California will convene an advisory panel and consider alternative measures to require California employers to submit such data.

NECA Develops Biweekly Codes & Standards Update

With over 100 years of active support in the National Electrical Code (NEC)® development process, NECA continues to be recognized as the leading voice of electrical contractors in the development of industry codes and standards.

Click on link below to view NECA's first edition of it's new digital subscription:

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This monthly update provides NECA member contractors and industry professionals with an email containing recent happenings in codes & standards and important announcements relating to jobsite rules and regulations, the NEC® and NECA's <u>National Electrical Installation Standards (NEiS)</u>.

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Summary Annual Report Electrical Workers Health & Welfare Plan for Contra <u>Costa County</u>	Summary Annual Report Contra Costa County Electrical Workers Retirement Plan and Trust					
NECA's eSafetyLine	Disclosure About an Employer's participation in a Multiemployer plan					
NEBF 2017 ANNUAL FUNDING NOTICE						



November 2018

Sun	Mon	Tue	Wed	Thur 1	<i>Fri</i> 2	sat
4 Fall <u>Back</u>	5	6	7	8	9	10
11	12	13 Nominating Committee Cheesecake Factory Walnut Creek 11:45 a.m.	14	15	16	17
18	19	20 Industry Trust Scott's Restaurant 11:45 a.m. Inside JATC Martinez Training Center 2:00 p.m.	21	22 Hanksgiving	23 <u>Off-Day</u>	24
25	26	27	28	29 Code Committee Zio Fraedos Sub: 10:30 a.m. General: 11:45 a.m.	30	

