

### Overview\*\*

What is the New England Health Care Employees Pension Fund?

The New England Health Care Employees Pension Fund is a Taft-Hartley defined benefit plan. The plan is administered by an equal number of management and union trustees who make up the Board of Trustees. Your benefit is defined by a formula which is based on your years of credited service and earnings during a specified period of time before you retire.

### Participation in the Plan

How do I become a participant?

There are two requirements to become a participant of the Pension Plan

- 1) You are in a covered job class with a contributing employer under an 1199 Collective Bargaining Agreement (CBA)
- 2) Your employer is required to contribute to the Fund on your behalf under the terms of the CBA.

### Vesting Service

You earn one year of vesting credit if you work at least 1,000 hours in a calendar year for a contributing employer

### Earning and Calculating Your Pension Benefit

Your pension benefit is determined by a formula that takes the sum of your earned Credited Future Service and your average earnings.

**Credited Future Service** – Each month that you work the required number of hours per the CBA your Employer will contribute on your behalf. Each contribution will earn you a credit for that month (.0833 of credited service per monthly contribution)

**Average Earnings** – The average of your highest five consecutive years of wages within a ten-year time frame in which you received a future service credit. The plan takes your highest five consecutive years of wages, divides them by the number of months that contribution was received and multiplies them by 12

i.e., Total Wages in a five-year period = \$171,593.27; total number months that a contribution was received = 59 months.

- $\$171,593.27 / 59 = \$2,908.36 \times 12 = \$34,900.32$  (your average earnings)

**Pension Benefit Percentage Rate** – A percentage that is determined by the Board of Trustees

**Formula used to determine your pension benefit:**

- $\text{Average Earnings} \times \text{Total Credited Future Service} \times \text{Pension Benefit Percentage Rate} / 12 = \text{Your monthly pension benefit}$

### Becoming 100% Vested in the Plan

- You become entitled to your pension benefit when you become 100% vested. You must meet one of the following requirements (plus have one additional month of credited future service) to become vested:
  - 5 Years of Vesting Service (five years of 1000 hours or more) or
  - 5 Years of Credited Future Service (60 future service credits) or
  - Any combination of 5 calendar Years of Credited Service and Years of Vesting Service (the same period shall never be counted twice)

\*\* Provisions outlined in this document are in accordance with the controlling New England Health Care Employees Pension Plan Document. Provisions of the Plan Document are subject to change at the discretion of the Board of Trustees.