



# Benefits Seminar

October 9th & 10th, 2024

Nashville, Tennessee



Welcome to

# LINECO

## Benefits Seminar

October 10, 2024



**Be Safe. Be Well.**



**Welcome**

**State of the  
LINECO Fund**

**Health &  
Union  
Benefits in  
America**

**Eligibility  
& ERTS  
Reciprocal  
Reminders**

**Strategic  
Partners  
Panel Session**

Lunch Break

**Medical &  
Dental  
Benefit Review**

**Health  
Reimbursement  
Account (HRA)**

**PM Break**

**Retiree  
Program  
Overview and  
Updates**

**LINECO.org  
Member Portal  
Demo**

# Today's Presenters

**Kevin Chesniak, Fund Administrator, LINECO**

**Travis Smith, President, Foster & Foster**

**Mary Garite, Director of Operations, LINECO**

**Michelle Newton, Member Services Manager, LINECO**

**Jennifer Calcagno, Reciprocal Coordinator, LINECO**

**Roger Demers, Account Manager, WEX Health**

**Lisa Baker, Account Manger, WEX Health**

# Although a bit foggy...



# LINECO is still conducting well



LINECO is on solid Footing and  
FINANCIALLY STABLE

Benefits remain STRONG and  
consistent

Continuous SERVICE improvements

Our sole focus : YOUR MEMBERS

- ✓ **Strong Understanding of LINECO's Benefits**
- ✓ **Know How To Find Answers**
- ✓ **Aware of ALL Benefits Available to You and Your Members**

# State of the Fund

**Kevin Chesniak, Fund Administrator, LINECO**



# The Fund

**Generous  
Benefits for  
Predictable  
Cost**

**Value  
Proposition**

**Peer  
Led**

**18 Trustees  
(9 NECA, 9 IBEW)**

**Established  
1963**

**Strong  
History**

**Service  
Organization**

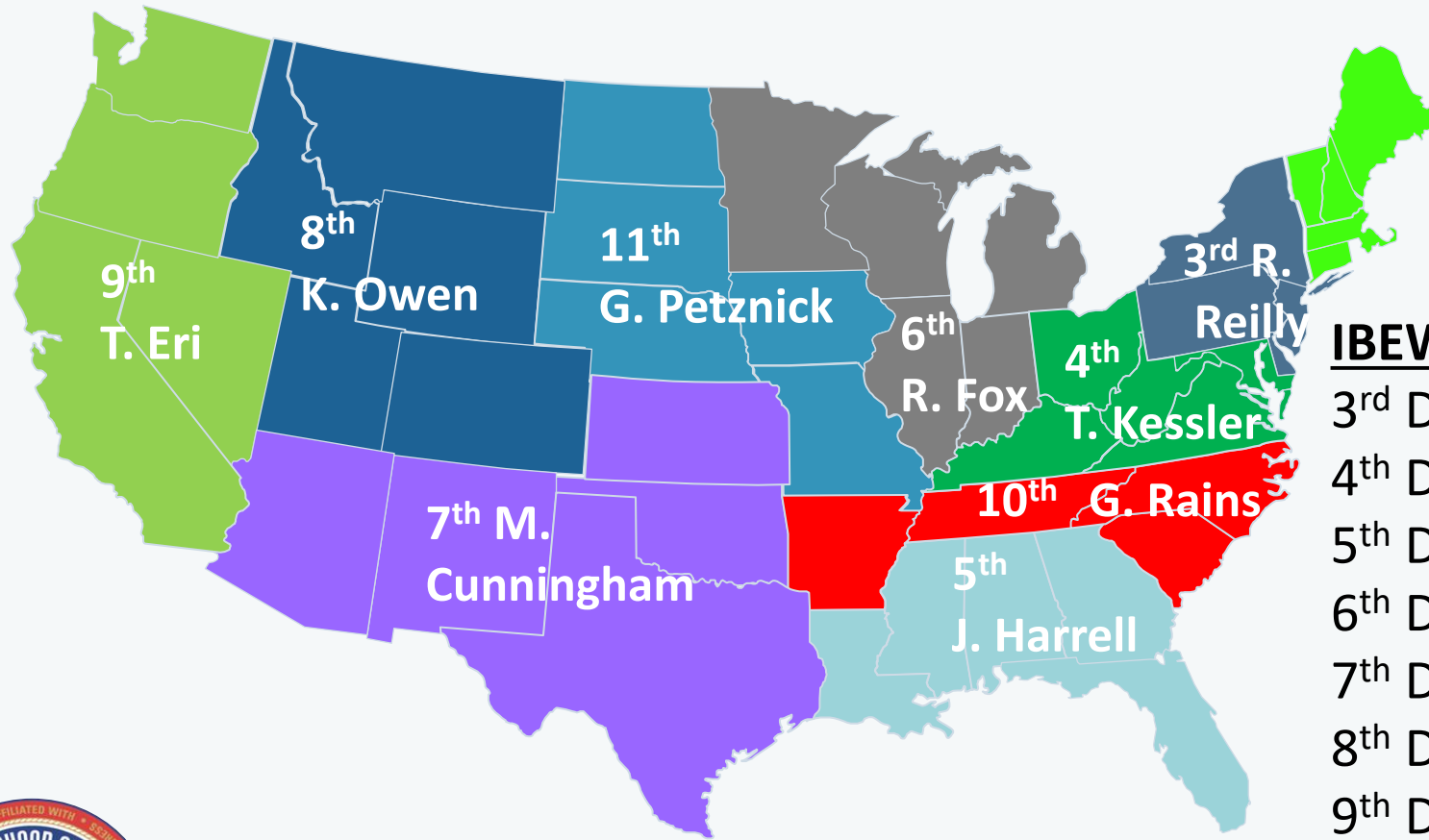
**Not a large insurance  
company, real life -  
Midwesterners  
provide service**

**Focused**

**Sole Mission: to provide  
Health & Welfare Benefits to  
members of the IBEW / NECA  
of the Outside Electrical  
Construction Industry**



# IBEW Outside Vice Presidential Districts LINECO Trustee Appointments



## IBEW LINECO UNION TRUSTEES

3<sup>rd</sup> Dist. Robert Reilly, IBEW Local 1319

4<sup>th</sup> Dist. Todd Kessler, IBEW Local 71

5<sup>th</sup> Dist. John Harrell, IBEW Local 222

6<sup>th</sup> Dist. Robert Fox, IBEW Local 1393

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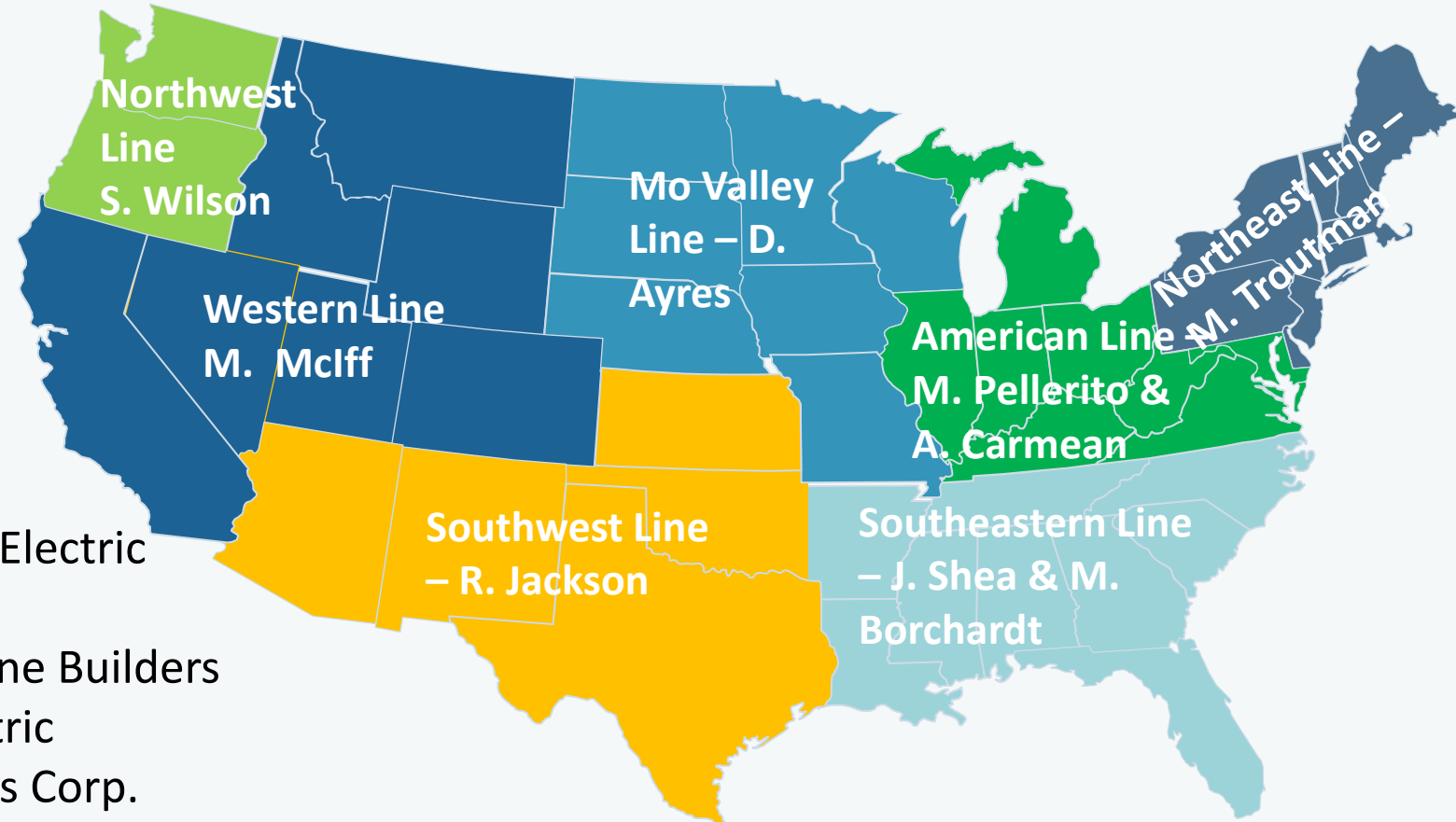
11<sup>th</sup> Dist. Glen Petznick, IBEW Local 1525





# NECA District 10

## LINECO Trustee Appointments





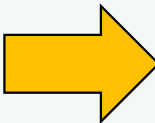






### NECA LINECO Management Trustees

- Northeast Line – Mike Troutman, O’Connell Electric
- American Line – Andy Carmean, Intren
- American Line – Mark Pellerito, American Line Builders
- Southeastern Line – Jody Shea, Service Electric
- Southeastern Line – Mike Borchardt, Michels Corp.
- Missouri Valley – Darran Ayres, JF Electric
- Southwestern Line – Rhett Jackson, Dacon Corp.
- Western Line – Mindie McIff, Western Line Constructors
- Northwest Line – Stacy Wilson, Wilson Construction

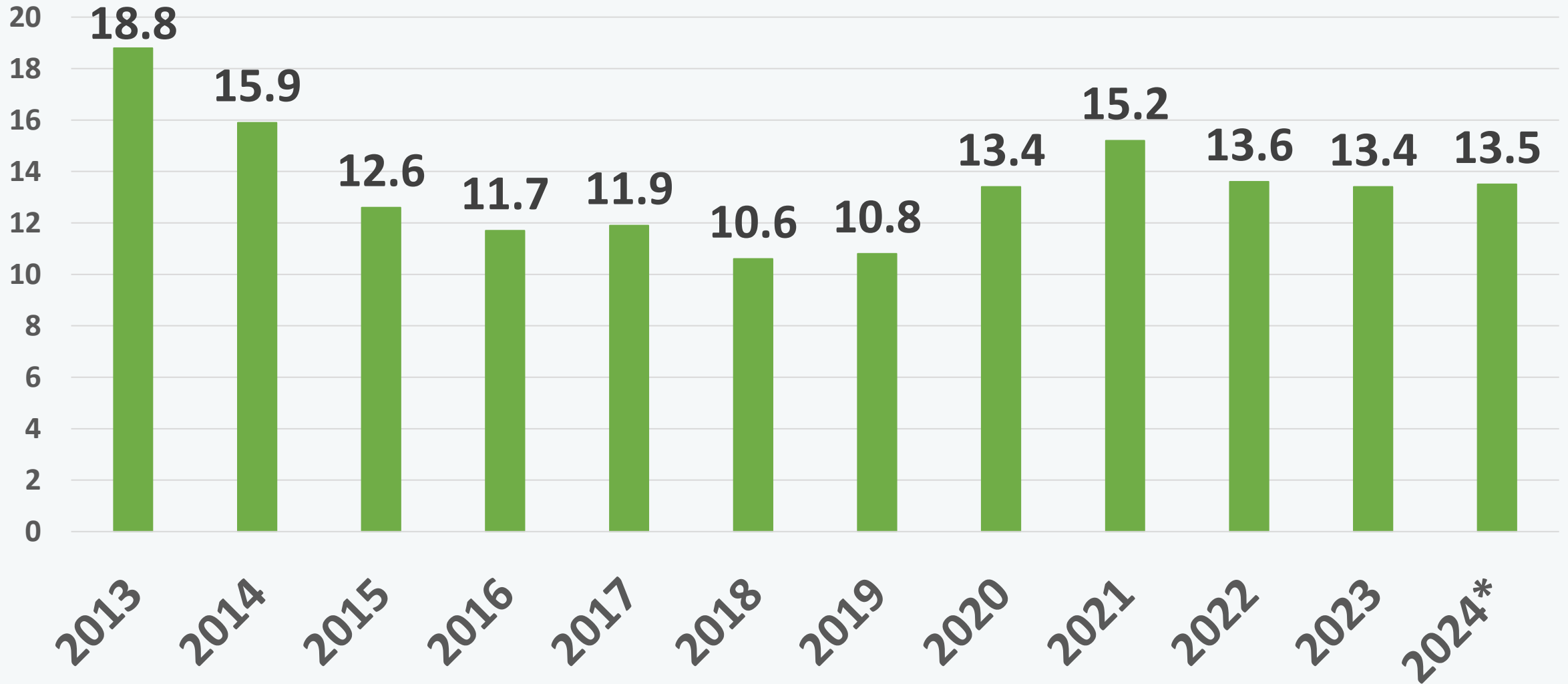
# Members



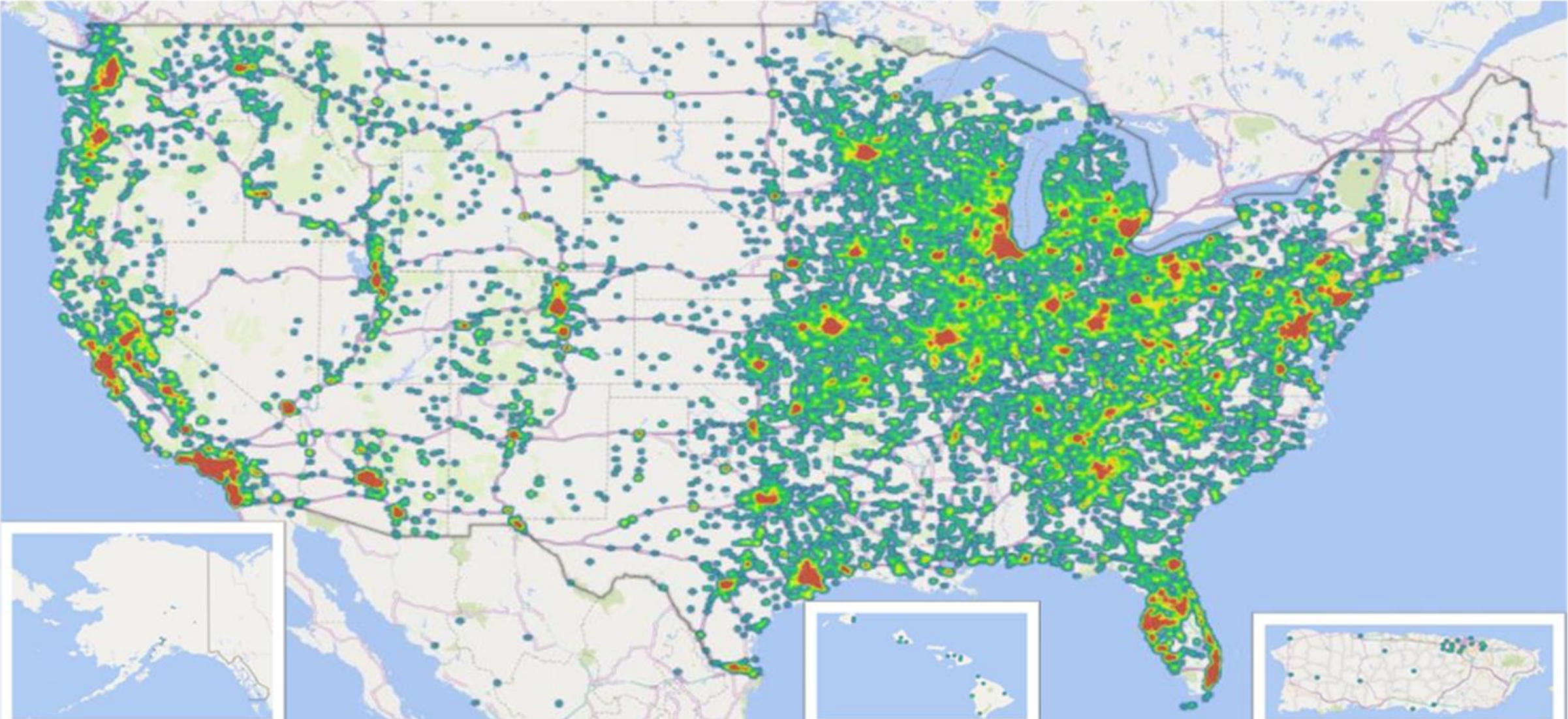
# Important Fund Metrics

CY 2021	CY 2022	CY 2023		CY 2024
			Employer Contributions	<b>2024 Increase in Work? TBD</b>
			Benefit Claim Expense	<b>Inflation is Not Easing in Healthcare</b>
			Investment Return	<b>Investments Looking Positive</b>

# Months of Operating Surplus

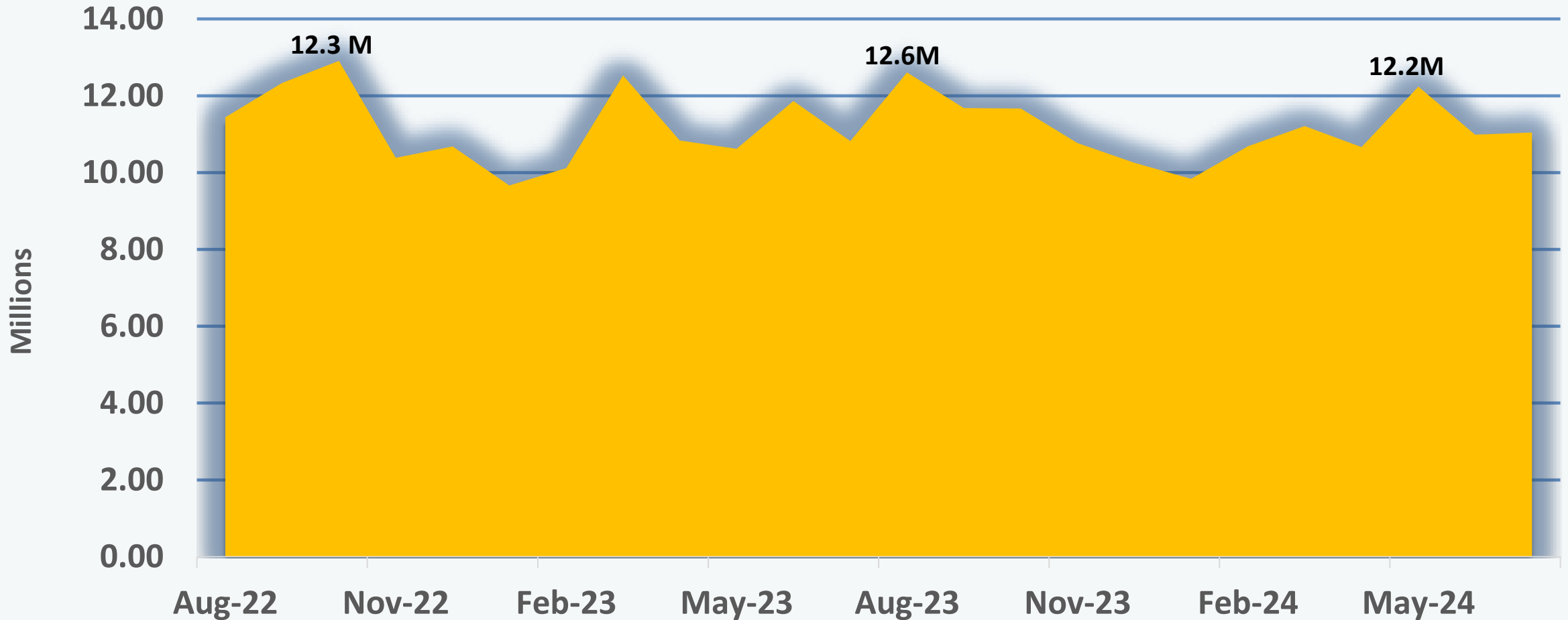


# National Fund



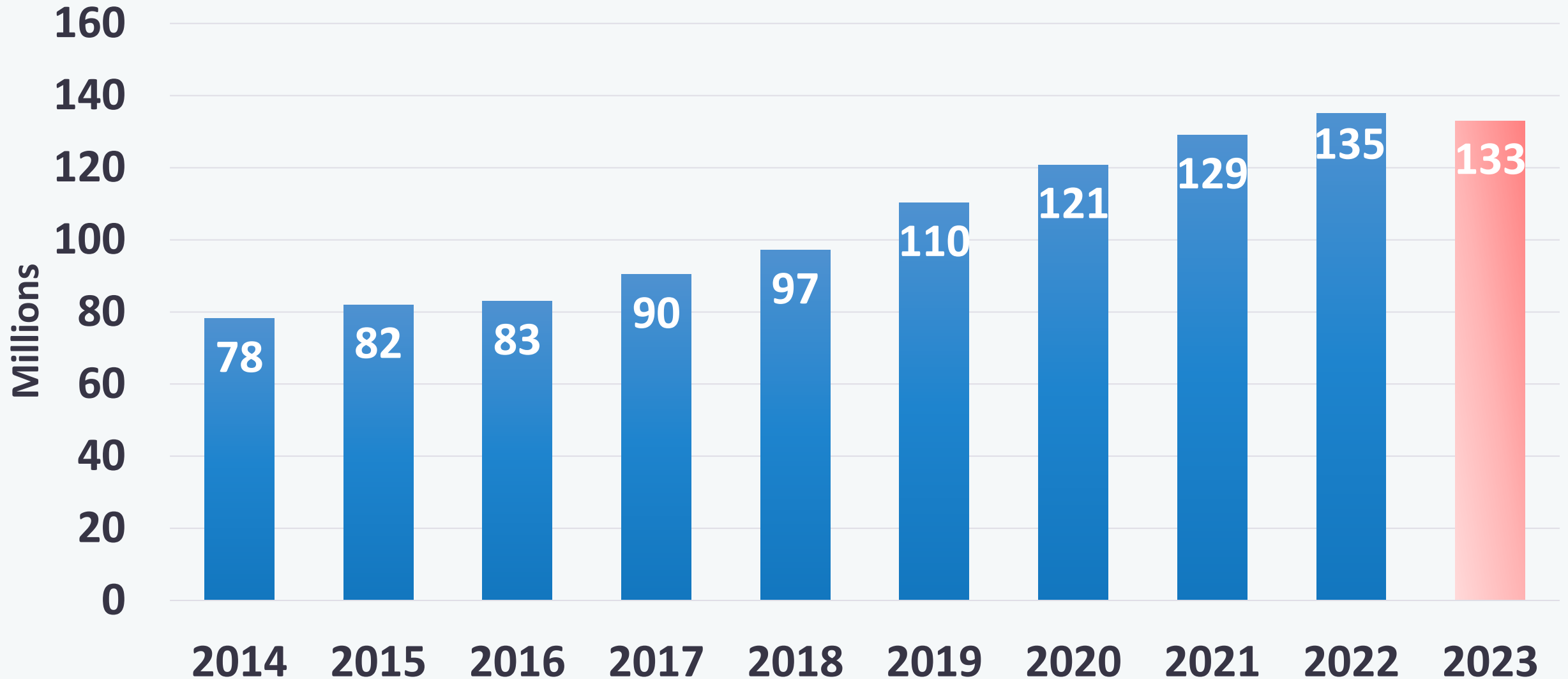


# Monthly Reported Work Hours – Past 24 Months Ending July 2024



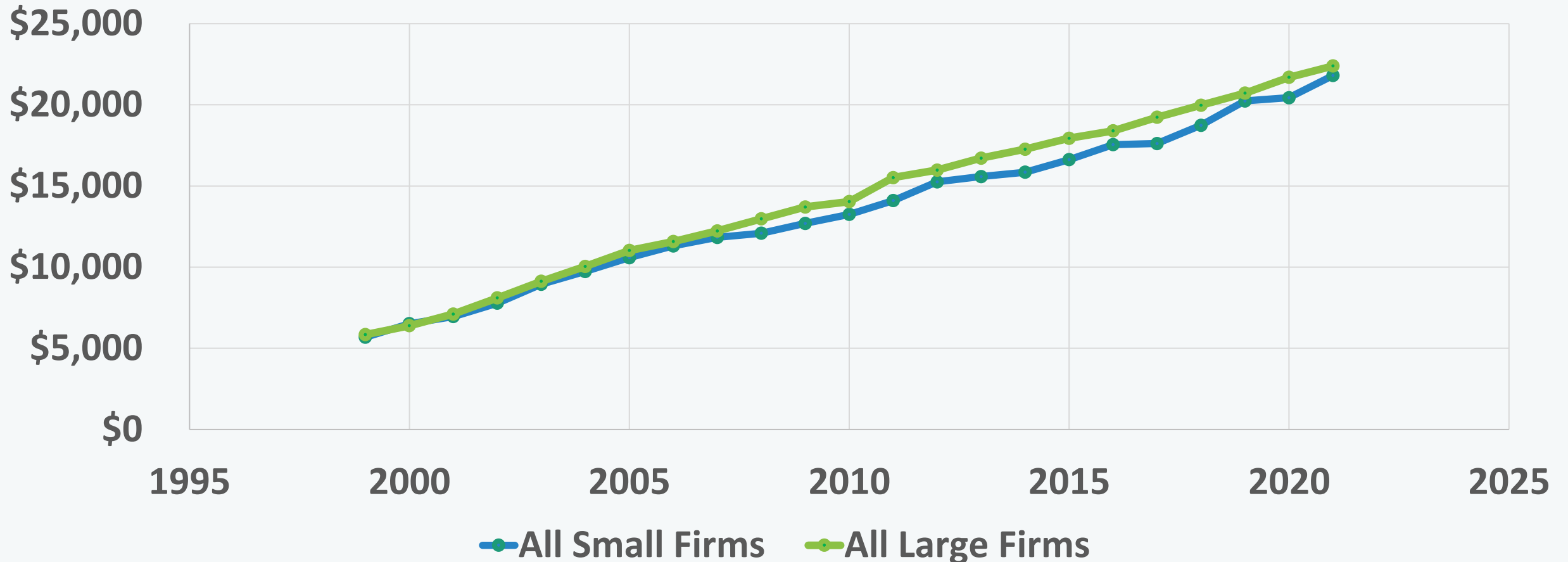


# Total Hours Reported Annually



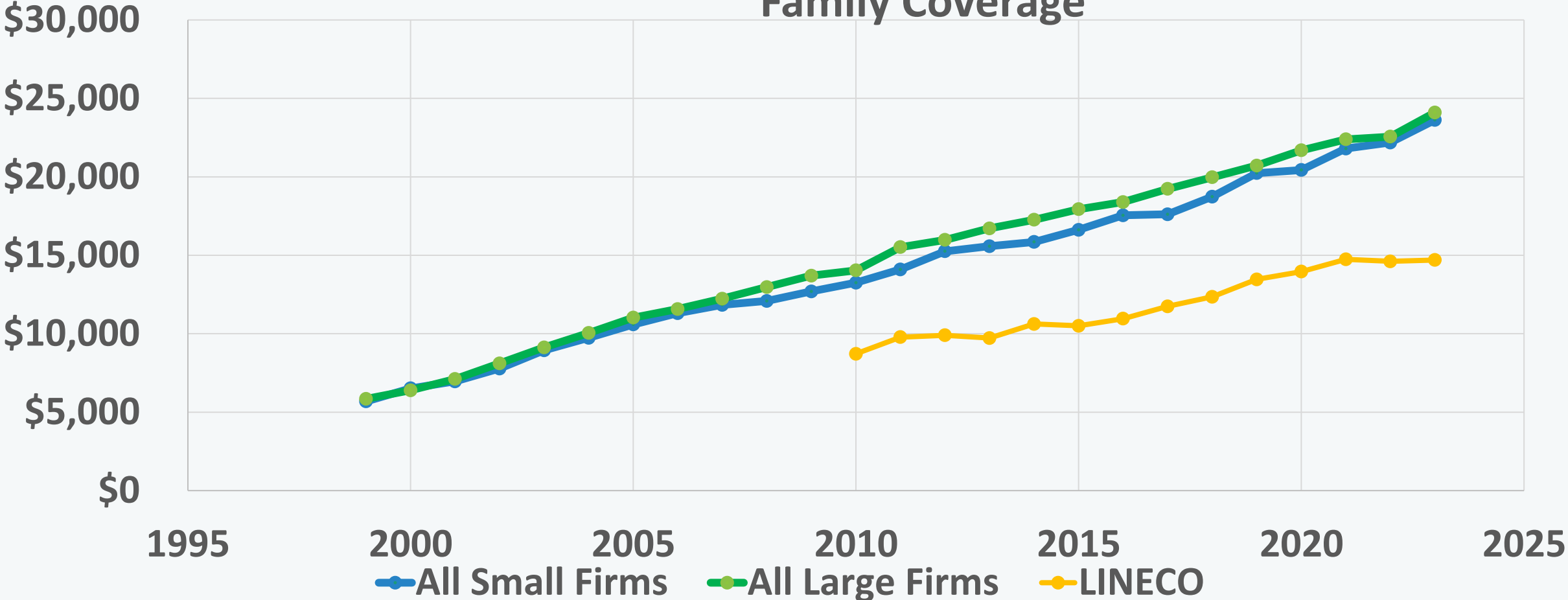
# How Does LINECO Compare?

## Employer Annual Health Insurance Premiums – Family Coverage



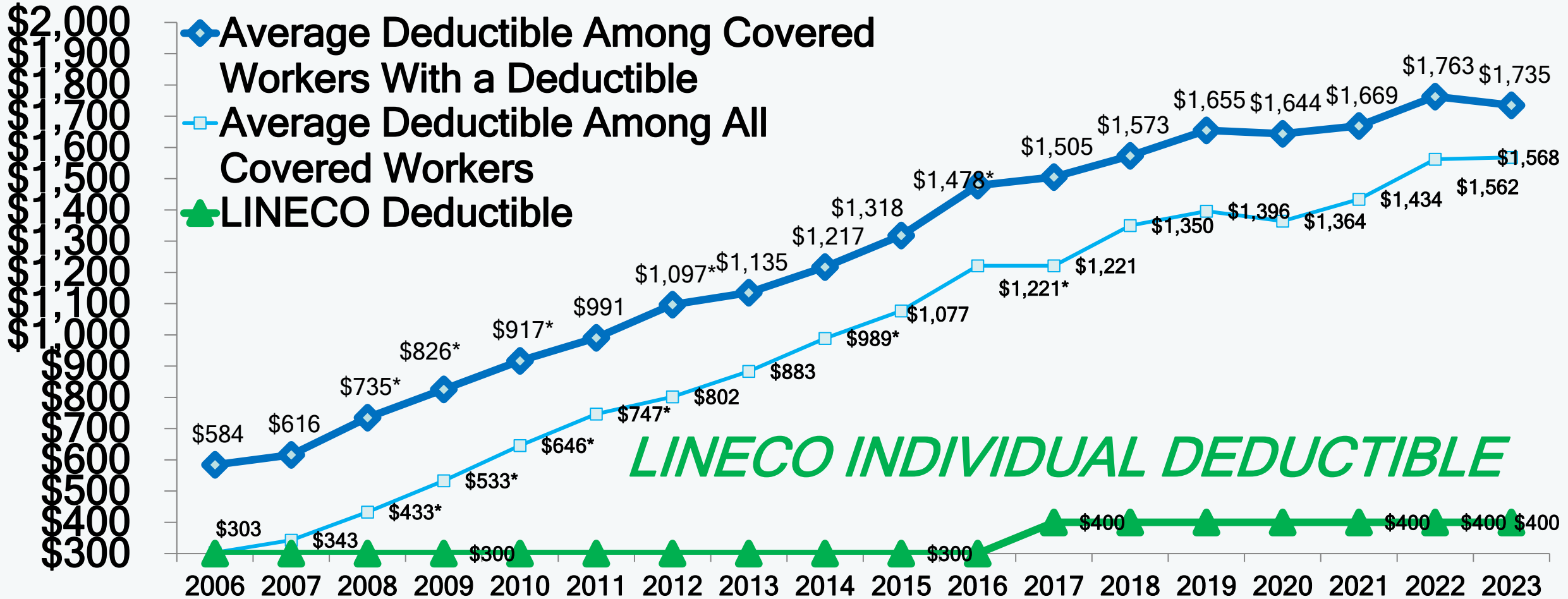
# How Does LINECO Compare?

## Employer Annual Health Insurance Premiums – Family Coverage





# Average Individual Deductible Levels (2006-2021)





# Contribution Rate History

## Contribution Rate History

Since 2006, average annual increase in contribution rate is 2.4%

<i>YEAR</i>	<i>Construction</i>
2006-2010	\$4.75
2011	\$5.00
2012	\$5.00
2013	\$5.00
2014	\$5.00
2015	\$5.00
2016	\$5.25
2017	\$5.50
2018	\$5.75
2019	\$6.00
2020	\$6.50
2021	\$6.75
2022	\$7.00
2023	\$7.00
2024	\$7.25

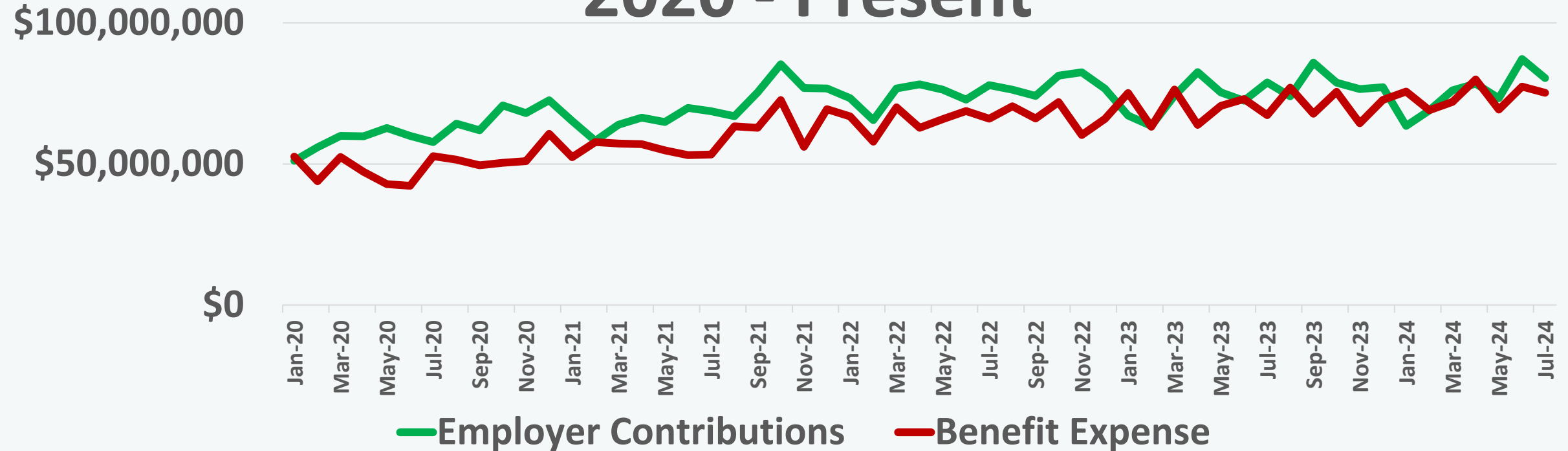


# Contribution Rate History

CONSTRUCTION	CO-OP/REA
\$7.50	\$9.75
CY2026 Rate Will Most Likely Be Determined In December 2024 by LINECO Board of Trustees.	

# Contributions vs. Benefit Expense

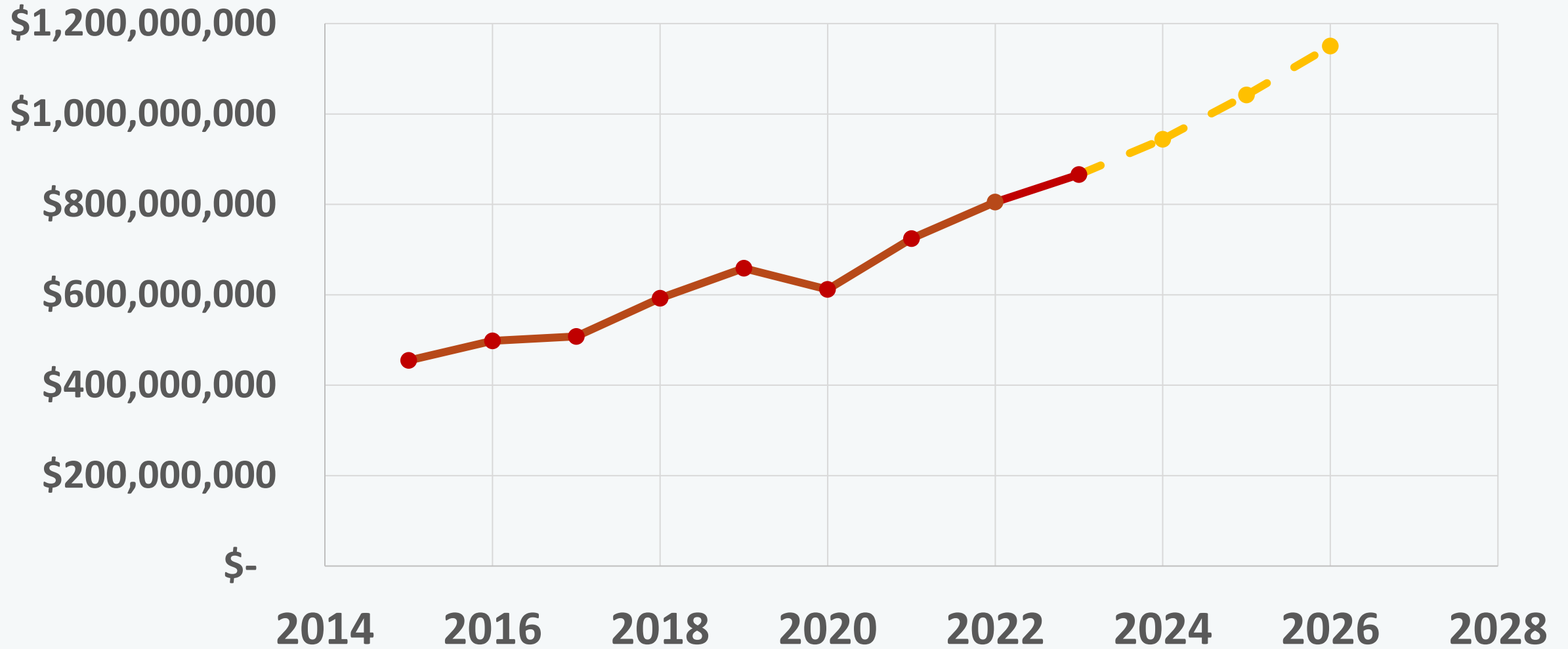
## 2020 - Present



CONTRIBUTIONS AVG./Month	BENEFIT EXPENSE AVG./Month
2020 - \$62.0M	2020 - \$49.7M
2021 - \$69.8M	2021 - \$59.1M
2022 - \$75.9M	2022 - \$66.0M
2023 - \$75.5M	2023 - \$70.5M
2024 - \$75.4M	2024 - \$74.0M



# Annual Plan Benefit Expense



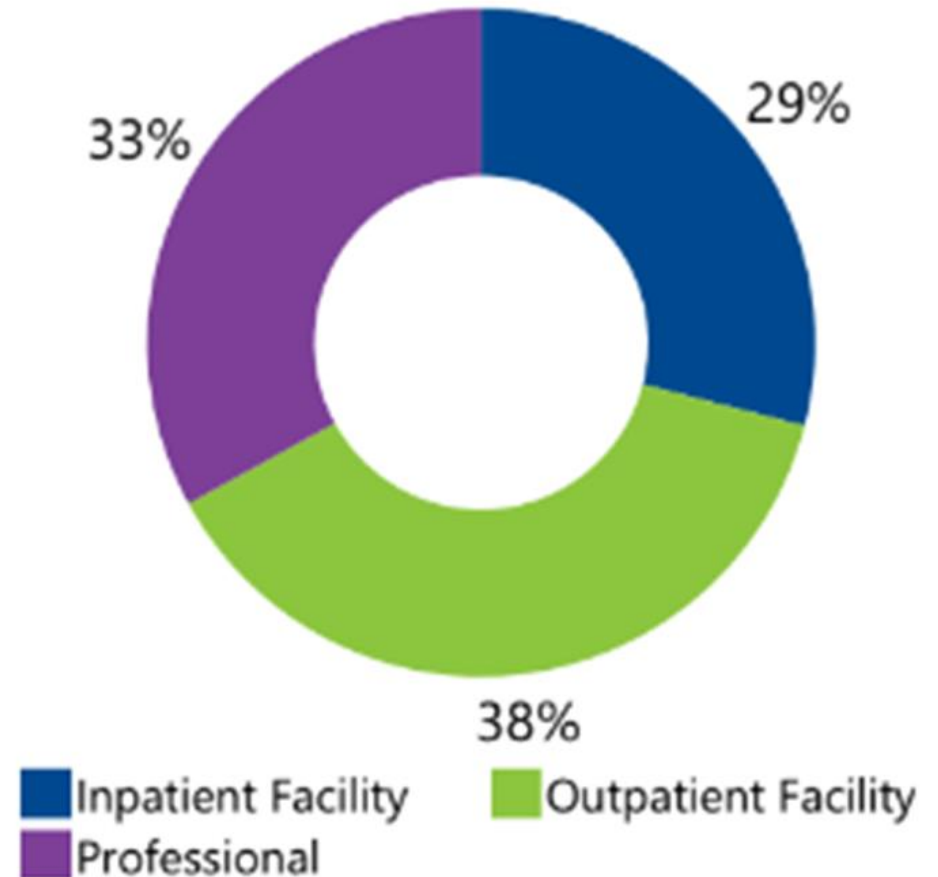


# LINECO Key Cost Indicators

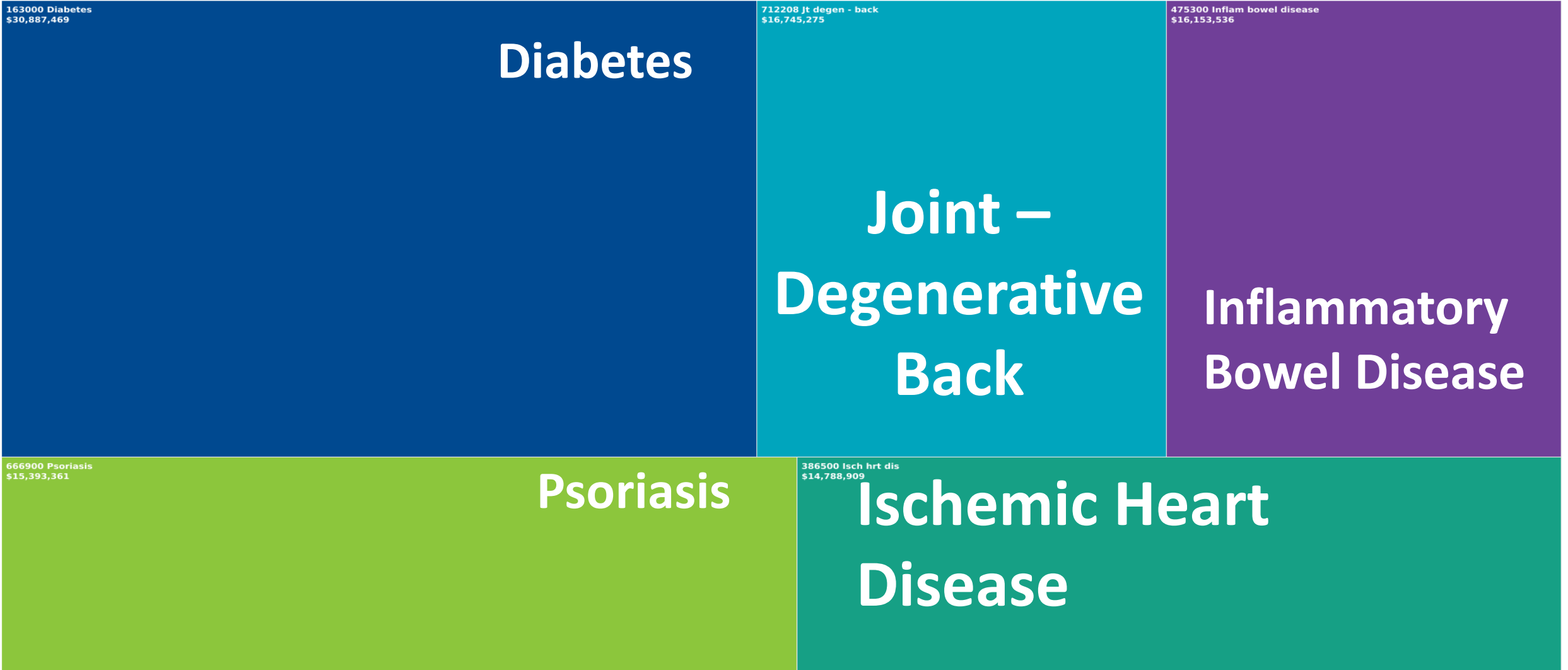
**9.5%**  
**Medical Paid  
Trend**

**14.5 %**  
**Rx Paid Trend**

**Paid PMPM by Service Category**

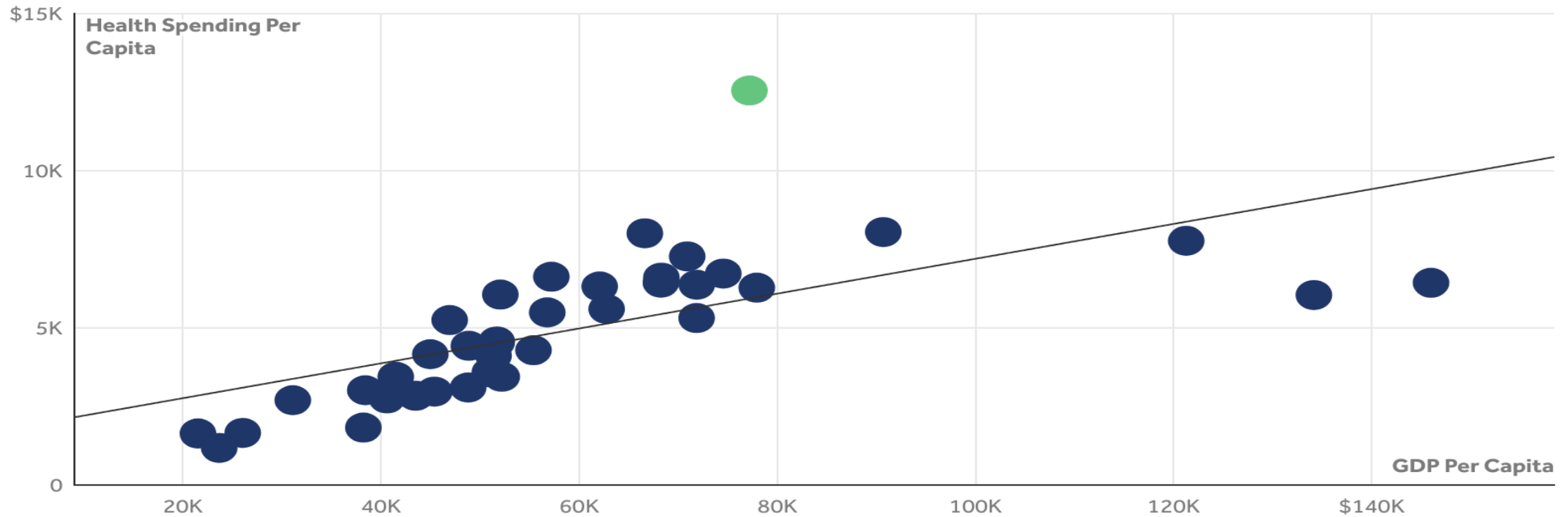


# Population Health Concerns



# US Healthcare Spending Per Capita

GDP per capita and health consumption spending per capita, U.S. dollars, 2022 (current prices and PPP adjusted)

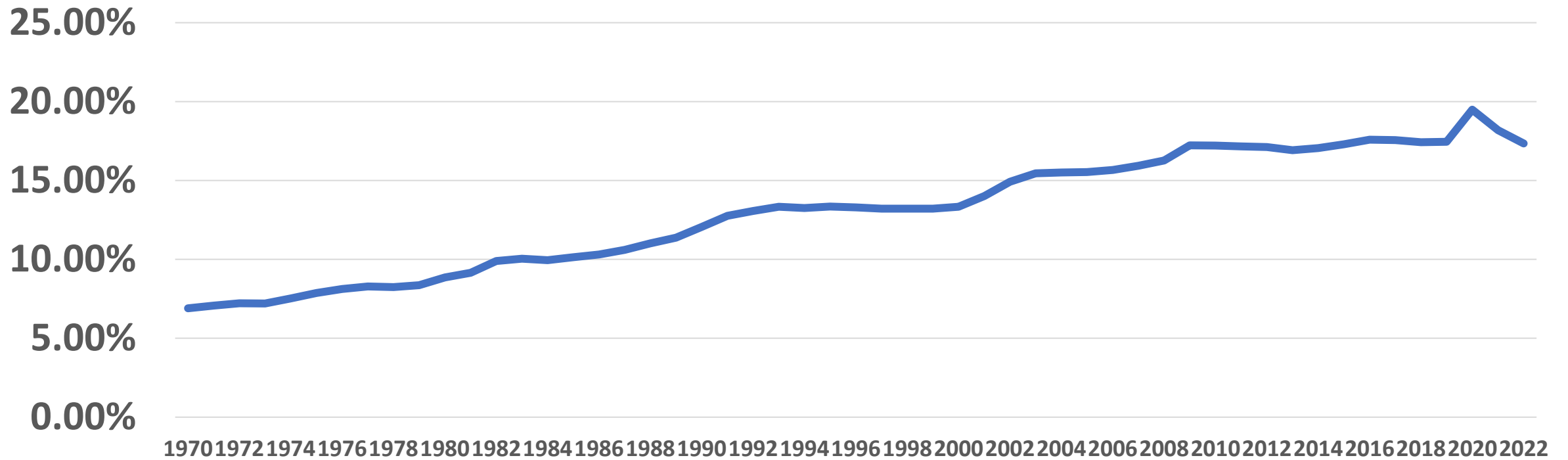


Notes: Health spending per capita for Czech Republic, Denmark, France, and the Slovak Republic are estimated. For all other countries except the United States, health spending per capita is provisional. Health consumption does not include investments in structures, equipment, or research.



# National Health Expenditures as % US GDP (1970-2022)

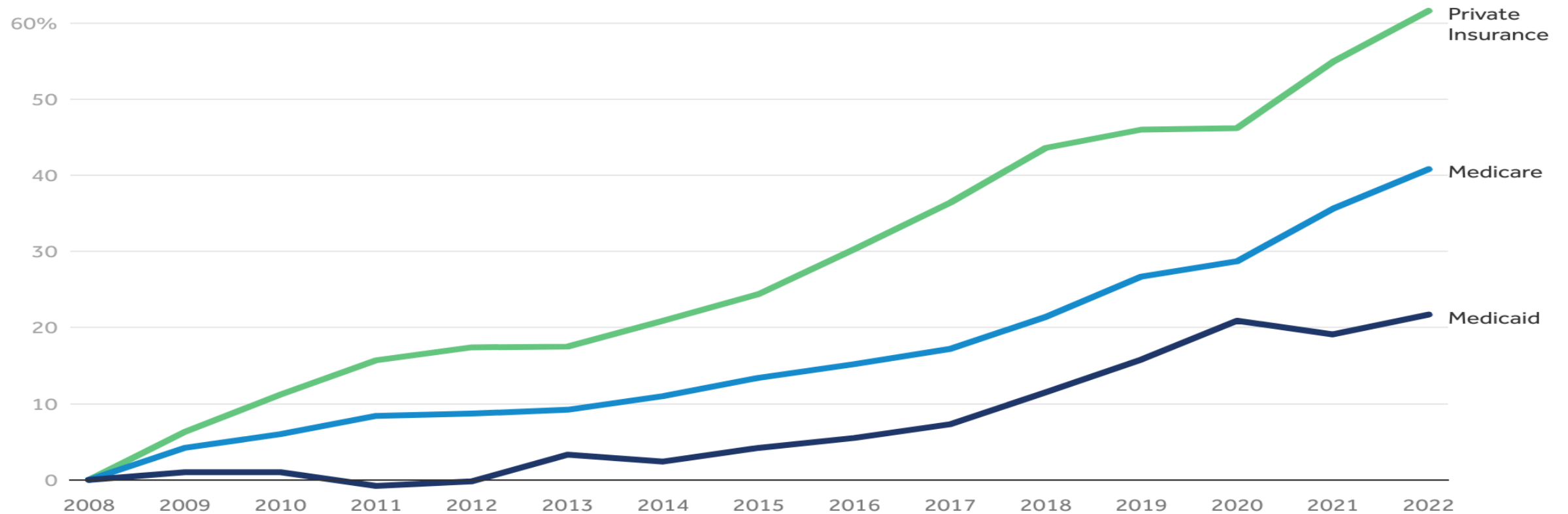
## Percent of GDP



Source: KFF Health System  
Tracker

# Per Enrollee Spending Growth

Cumulative growth in per enrollee spending, by private insurance, Medicare, and Medicaid, 2008-2022





# Comprehensive Benefit Package

<b>Medical</b>	<b>Prescriptions</b>	<b>Dental</b>	<b>Vision Hearing</b>	<b>Member Assistance Plan</b>
<b>Telemedicine</b>	<b>Expert Medical Opinion</b>	<b>HRA</b>	<b>Short Term Disability/ Weekly Income</b>	<b>Life Insurance</b>



# Trusted Partners

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**BlueCross  
BlueShield**

**Teladoc**<sup>TM</sup>  
HEALTH

 **EXPRESS SCRIPTS**<sup>®</sup>  
by Evernorth

**vsp**<sup>TM</sup>  
vision care



 **carelon**<sup>SM</sup>  
Behavioral Health

 **Included**  
HEALTH

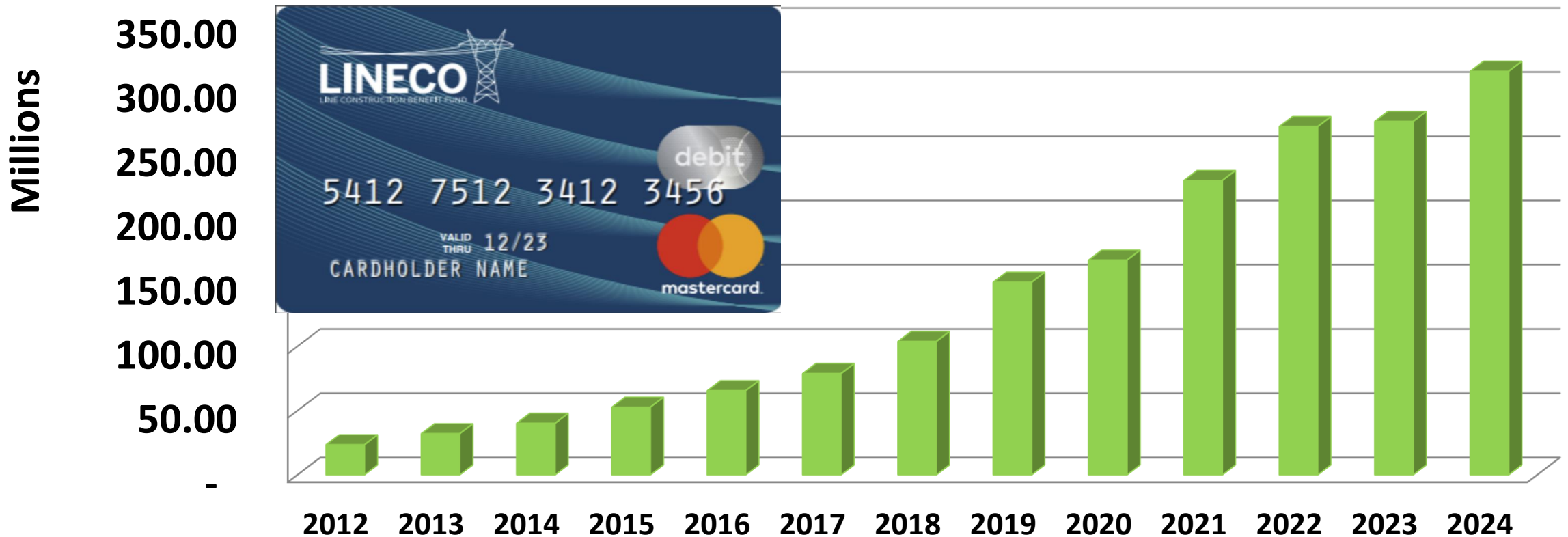
**amplifon**  
Hearing  
Health Care.

**CONIFER**  
HEALTH SOLUTIONS<sup>®</sup>

**wex**<sup>TM</sup>



## Health Reimbursement Account (HRA) Year Ending Balance





# US Healthcare System Stakeholders- the 4 “P’s”



Providers



Patients

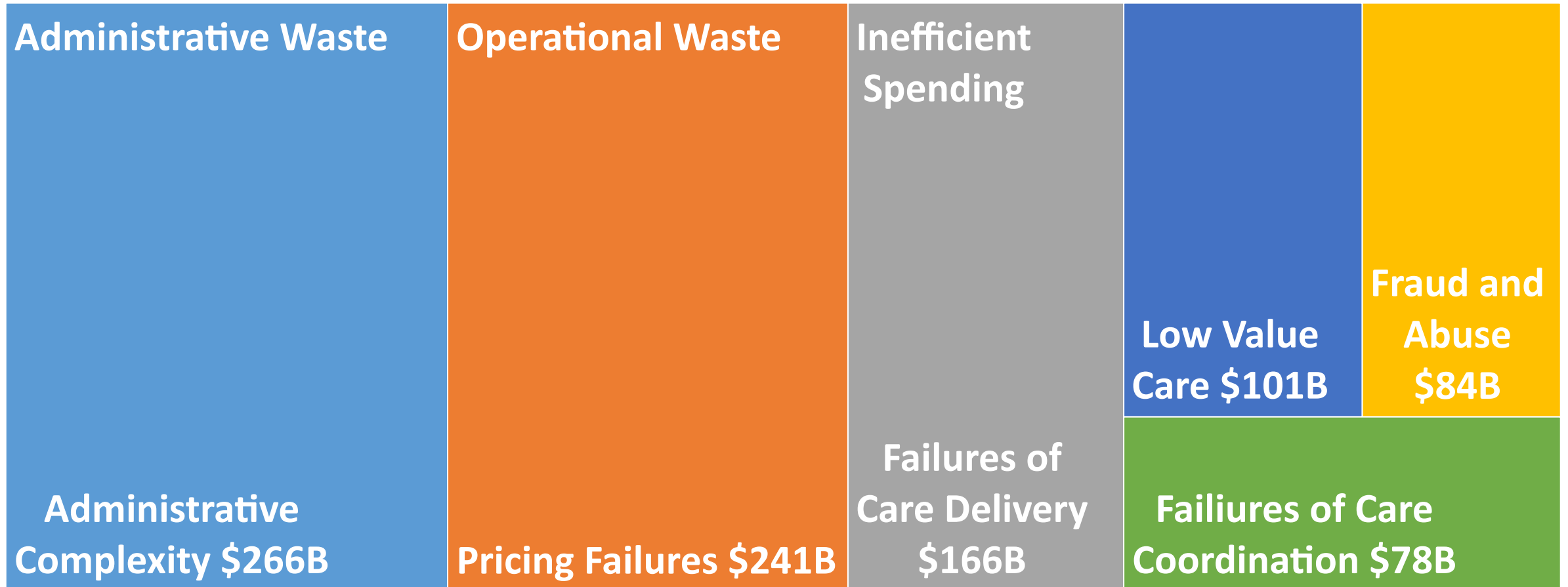


Policymakers

## Payors



# Complex System Types Of Wasteful Healthcare Spend (in Billions)



# Recent Policymaker Impacts



2010



2020

2023



2022

Inflation Reduction Act

2013

2016

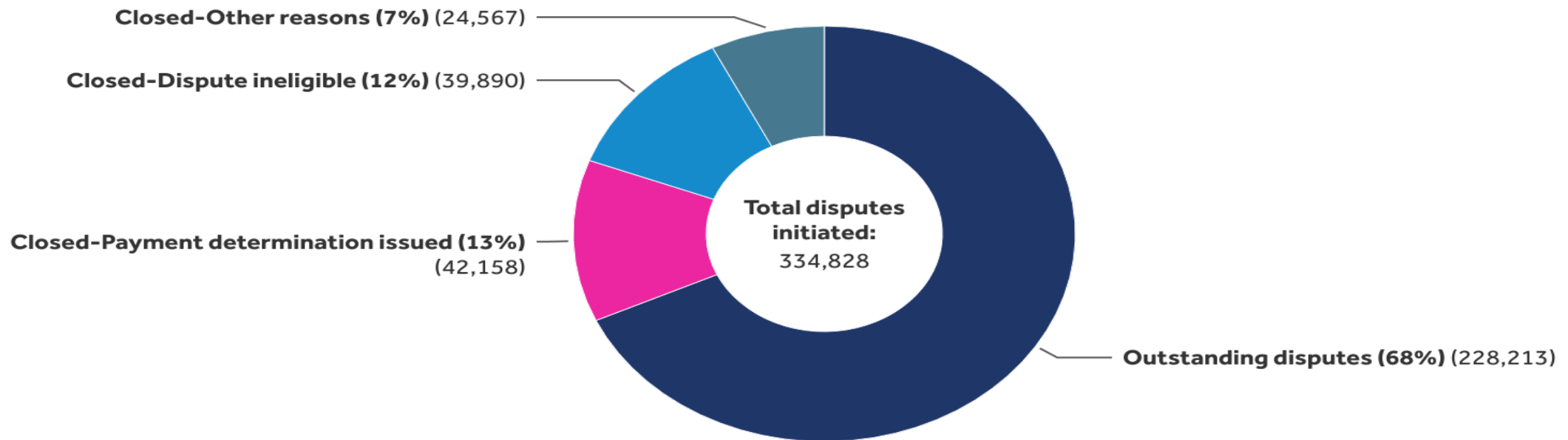
2022

No Surprises Act



# No Surprise Act – Unintended Impacts

Share of out-of-network surprise billing disputes initiated through the federal IDR process, April 15, 2022 through March 31, 2023



Note: Disputes may be ineligible, for example, if state law applies, it's not qualified under the No Surprises Act, or due to submission errors. Disputes can be closed for other reasons like if the parties settled or withdrew, or failed to pay fees.

## Employee Retirement Income Security Act of 1974 (ERISA)



Maintain & protect beneficiary's of employee benefit Plans (pension / health & welfare plans).



Uniform Set of Federal Laws to govern employee benefits Plans.



Federal law jointly administered by:

- Departments of Labor (DOL),
- Department of Treasury (IRS),
- Department of Health and Human Services (HHS).

- Supports Multi-Employer Welfare Fund Existence.
- Provides Pre-Tax Benefits to Benefit Plan Contributions.
- Protections such as: COBRA / HIPAA / Mental Health Parity / Women's Cancer Coverage / ACA.
- Federal Statute that Supersedes State Insurance Regulations.



Simplification of Administration /  
Uniform Coverage Rules Nationally



# Recent Plan Changes

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## Plan Improvements

- + Lifetime Maximum Eliminated (2011)
- + LINECO HRA Created (2012)
- + ABA Therapy and Autism Benefits For Children Added (2013)
- + Diabetes Clinical Program & Healthy Mom = Healthy Baby Program Instituted (2013)
- + 100% Preventive Dental Coverage for Children Thru Age 20 (2014)
- + Prescription Safety Glasses Free Every 2 years (2015)
- + Free Telemedicine Benefit via Teladoc (2015)
- + Vision Frame Allowance Increased From \$125 to \$175 (2015)
- + Free Expert 2nd Medical Opinion Benefit via Included Health (2019)
- + Increased Weekly Income Benefit from \$400/week to \$600/week (2022)
- + Expanded Home Health Care Benefit (2022)
- + Skilled Nursing Facility Benefit Increased from 30 days to 60 day per calendar year (2022)
- + **Reduced Retiree Rate – Long Standing Member (2024)**
- + **Increased Life Insurance Benefit (2025)**

## Plan Modifications

- **Individual Deductible Increased from \$300 to \$400 (2017)**
- **ER Co-Pay Increased from \$100 to \$150 (2015)**



# www.lineco.org

[i Impacted by a Natural Disaster? We can help - click here.](#)

## Line Construction Benefit Fund

Providing a comprehensive suite of Health and Welfare Benefits to IBEW and NECA outside electrical construction families since 1963.

*Find What You Need, Fast*

**Member** Provider



View My LINECO  
Dashboard



Find Care



Check My Eligibility



Claims Search

### Enroll Yourself and Your Family in LINECO

If you're a new LINECO member, or adding to your family, complete the safe and secure online enrollment process now.

[Enroll in LINECO](#)



# Challenges for LINECO



- **Healthcare Inflation \$\$**
  - **Large Claims**
  - **Expensive Specialty Drugs**
  - **Chronic Conditions**
  - **Network Disputes**
- **Behavioral Health Concerns**
- **Member Engagement**
- **Compliance / Cyber**



**Slides Can Be Downloaded At:**

**[www.lineco.org/seminar](http://www.lineco.org/seminar)**

**Kevin Chesniak**

**[kchesniak@lineco.org](mailto:kchesniak@lineco.org)**

**630-916-7789**



**QUESTIONS?**

# Healthcare & Union Benefits in America

Travis Smith, President, Foster & Foster



**LINECO functions *SIMILAR* to a health insurance company *DEDICATED* to members of the IBEW and NECA**

# Board of Trustees to Oversee the Fund

## NECA LINECO Management TRUSTEES

Northeastern Line – Mike Troutman

American Line – Andy Carmean

American Line – Mark Pellerito

Southeastern Line – Jody Shea

Southeastern Line – Mike Borchardt

Missouri Valley – Darran Ayres

Southwestern Line – Rhett Jackson

Western Line – Mindie McIff

Northwest Line – Stacy Wilson

## IBEW LINECO UNION TRUSTEES

3rd Dist. Robert Reilly, IBEW Local 1319

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5th Dist. John Harrell, IBEW Local 222

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7th Dist. Mark Cunningham, IBEW Local 769

8th Dist. Kevin Owen, IBEW Local 57

9th Dist. Travis Eri, IBEW Local 125

10th Dist. Grant Rains, IBEW Local 175

11th Dist. Glen Petznick, IBEW Local 1525



## **LINECO TRUSTEES**

Mike Troutman

Robert Reilly

Mark Pellerito

Robert Fox

Mike Borchardt

Kevin Owen

Mindie McIff

Grant Rains

Stacy Wilson



## **LINECO TRUSTEES**

Glen Petznick

Andy Carmean

Todd Kessler

Jody Shea

John Harrell

Darran Ayres

Mark Cunningham

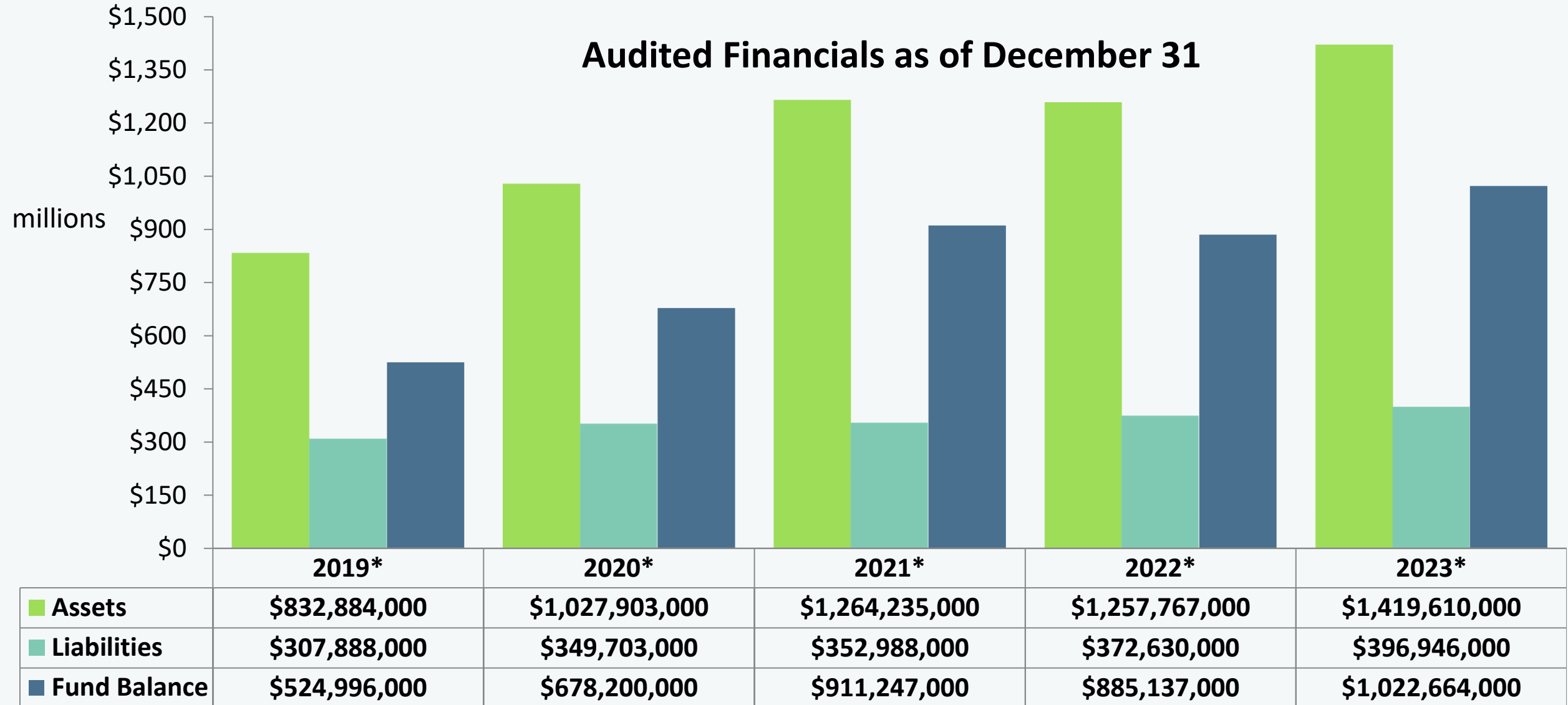
Rhett Jackson

Travis Eri

**Board of Trustees to Provide the Best Possible Benefits that  
can be Afforded for the Members of LINECO**

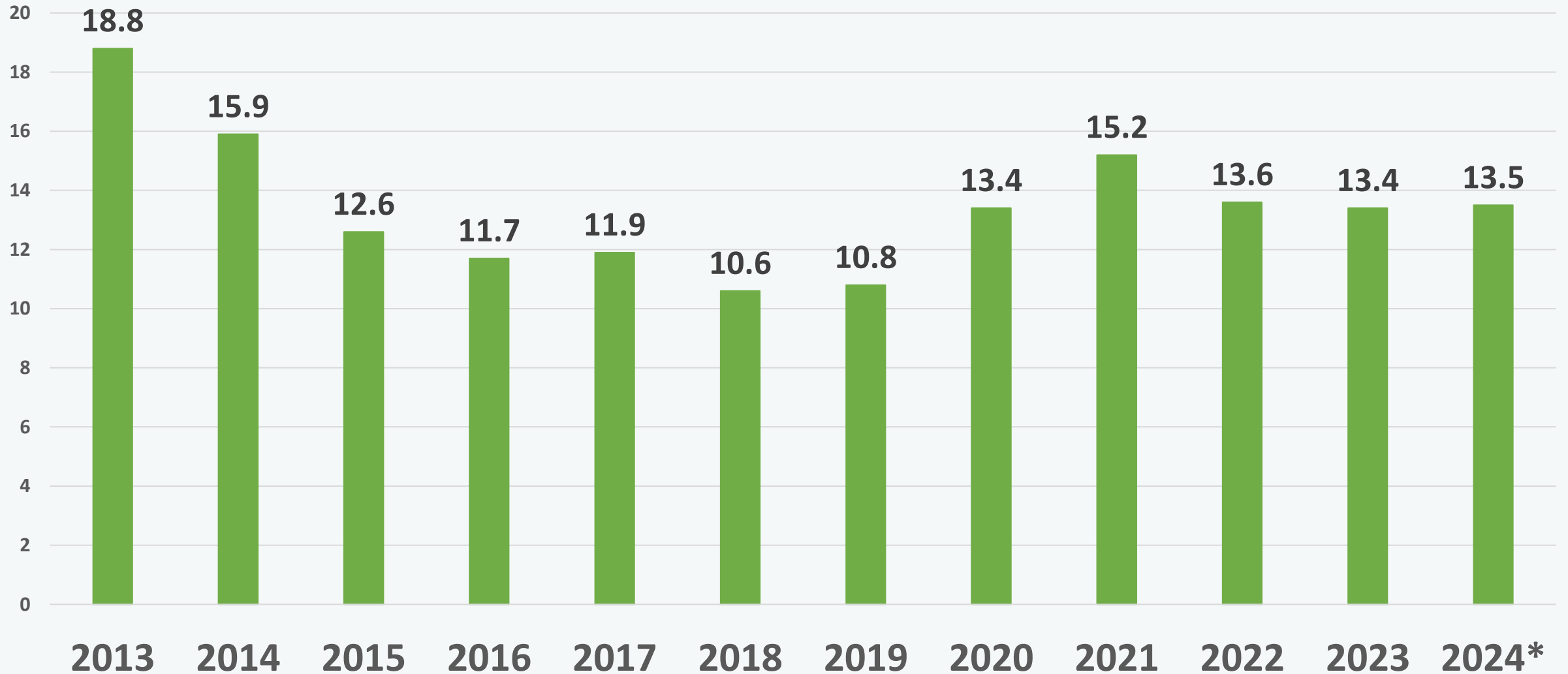
# Strong Balance Sheet

## Audited Financials as of December 31



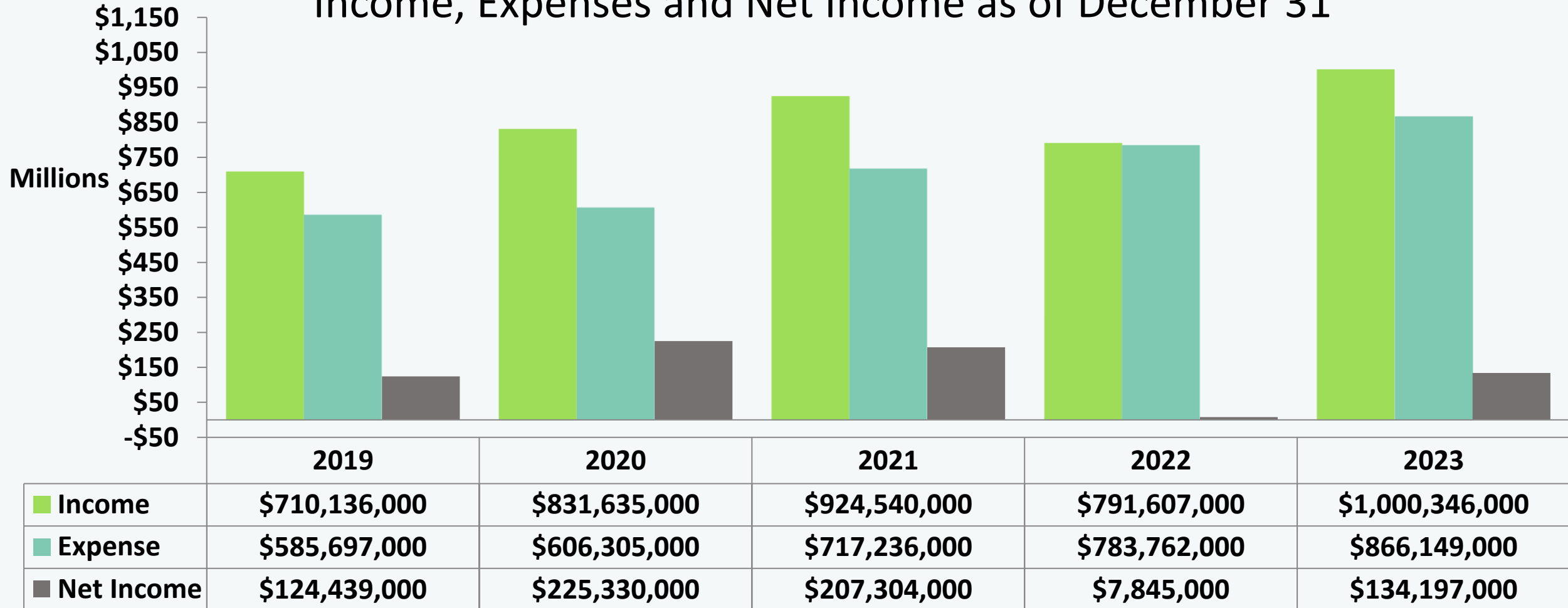


# Months of Operating Surplus

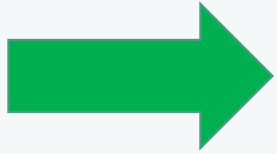


# Strong Income Statement

Income Statement is Strong  
Income, Expenses and Net Income as of December 31





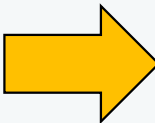









# Overall Healthy Fund



**Fund has been  
at a “5/4/5”  
for  
2021/2022/2023**

F1 Level	Total Gain/(Loss)	Ordinary Gain/(Loss)	Months of Surplus
<b>5</b>	1. Positive	1. Positive	1. Greater than 12
<b>4</b>	1. Positive 2. Negative 3. Negative 4. Positive	1. Negative 2. Positive 3. Negative 4. Positive	1. Greater than 12 2. Greater than 12 3. Greater than 12 4. Between 6 & 12
<b>3</b>	1. Negative 2. Negative 3. Positive	1. Positive 2. Negative 3. Negative	1. Between 6 & 12 2. Between 6 & 12 3. Between 6 & 12
<b>2</b>	1. Positive 2. Positive 3. Negative	1. Positive 2. Negative 3. Positive	1. Below 6 2. Below 6 3. Below 6
<b>1</b>	1. Negative	1. Negative	1. Below 6

# Important Fund Metrics

CY 2021	CY 2022	CY 2023		CY 2024
			Employer Contributions	
			Benefit Claim Expense	
			Investment Return	



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**How are we different?**

# Key Differentiators



*Cradle to grave, it is always about the members.*



*Benefit plans separate from employer.*



*Data driven approach.*



*Moving from one size fits all to a tailored approach.*

***FOCUS ON MEMBERS!!!***

***Goal is to provide the best possible benefits the fund can afford.***



**LINECO**  
LINE CONSTRUCTION BENEFIT FUND



# Who does the Fund Serve

## *August 2024 Numbers*

- Construction Members: **58,600**
- Active Utility: **1,700**
- Retirees: **3,000**
- Total Members: **63,300**



# Who does the Fund Serve

## *Average 2024 Numbers*

Total Members: **63,200**

Spouse and children: **97,800**

Total Covered Lives: **161,000**

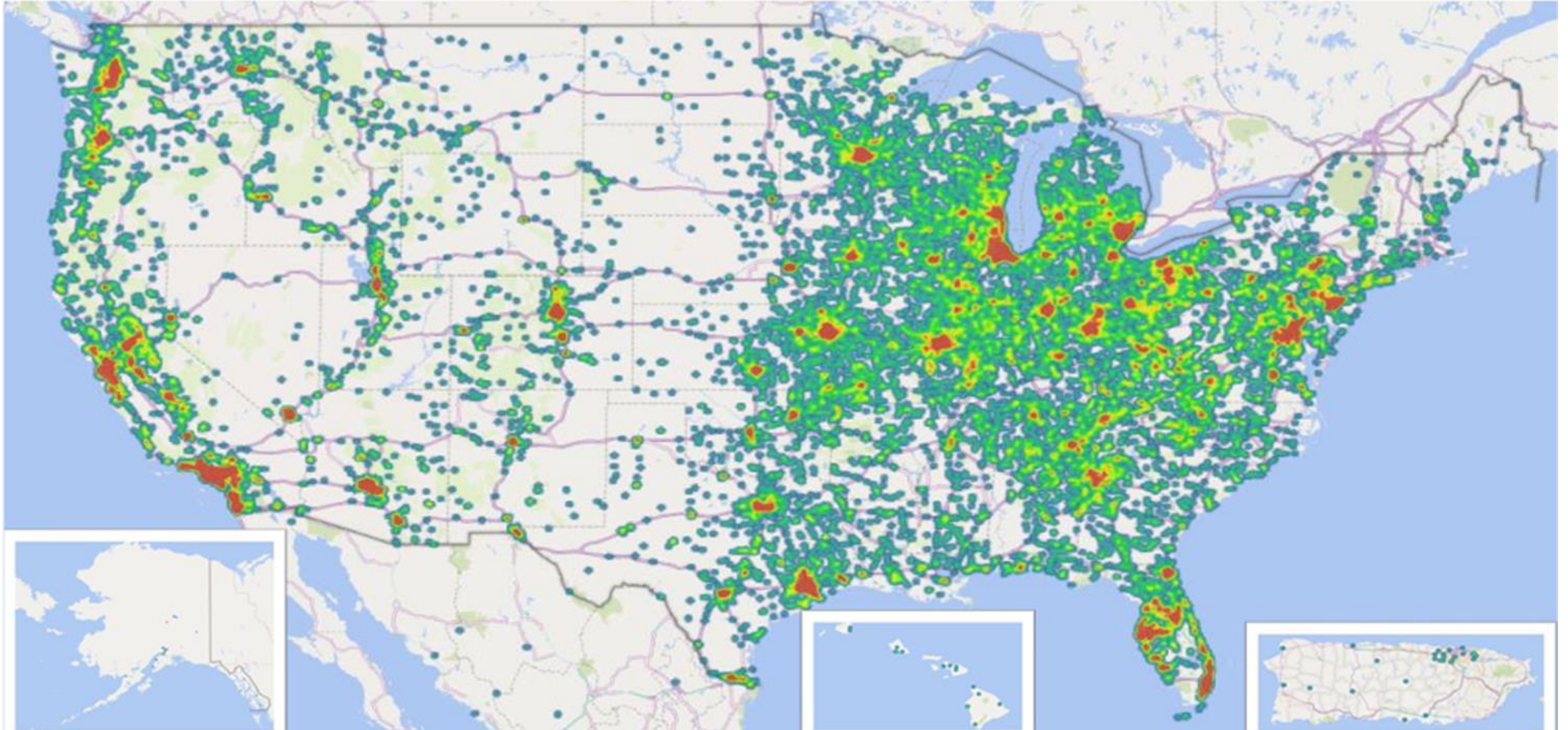
Average age member: **39.4**

Average age spouse: **41.0**

Average age children: **11.5**







# Contribution Rate History

## Contribution Rate History

Since 2006, average annual increase in contribution rate is 2.4%

<i><b>YEAR</b></i>	<i><b>Construction</b></i>
2006-2010	\$4.75
2011	\$5.00
2012	\$5.00
2013	\$5.00
2014	\$5.00
2015	\$5.00
2016	\$5.25
2017	\$5.50
2018	\$5.75
2019	\$6.00
2020	\$6.50
2021	\$6.75
2022	\$7.00
2023	\$7.00
2024	\$7.25

# How is your contribution dollar spent?

Dental  
\$0.06

Admin. Expense  
\$0.06



Medical  
\$0.74

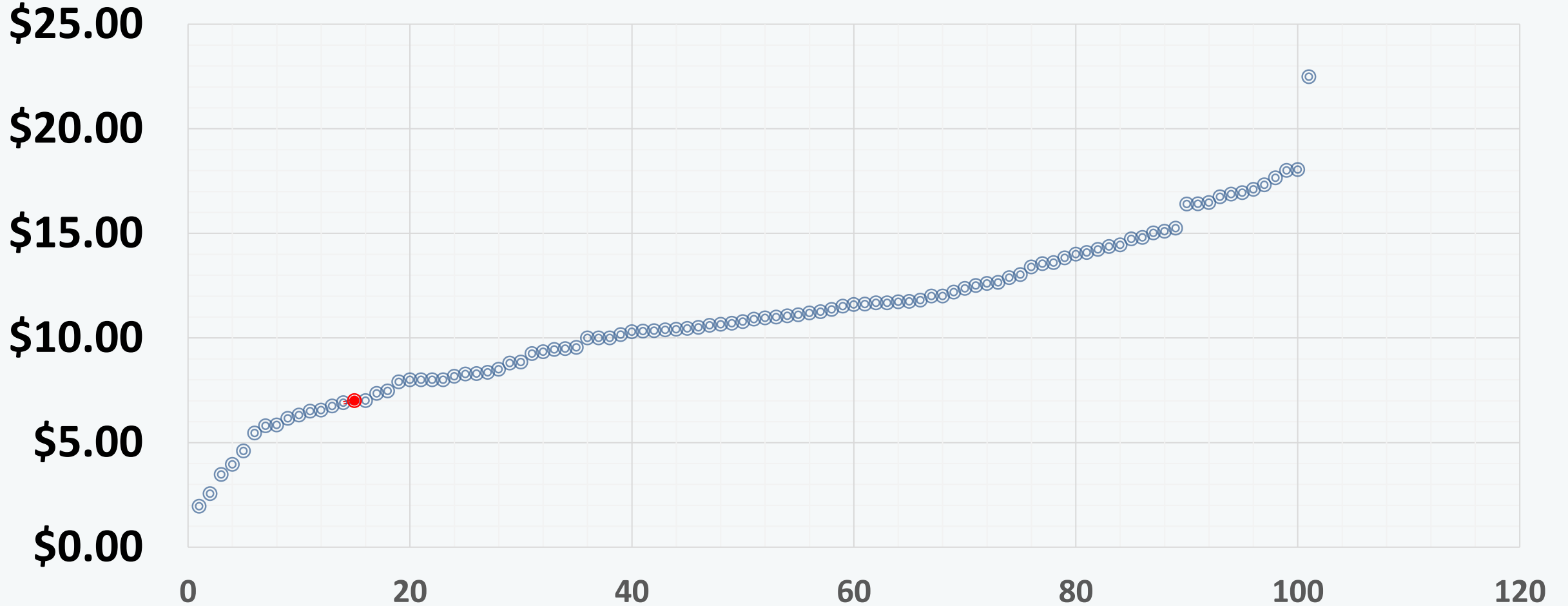
Prescription Drugs  
\$0.12

Life / Vision / Short  
Term Disability  
\$0.02

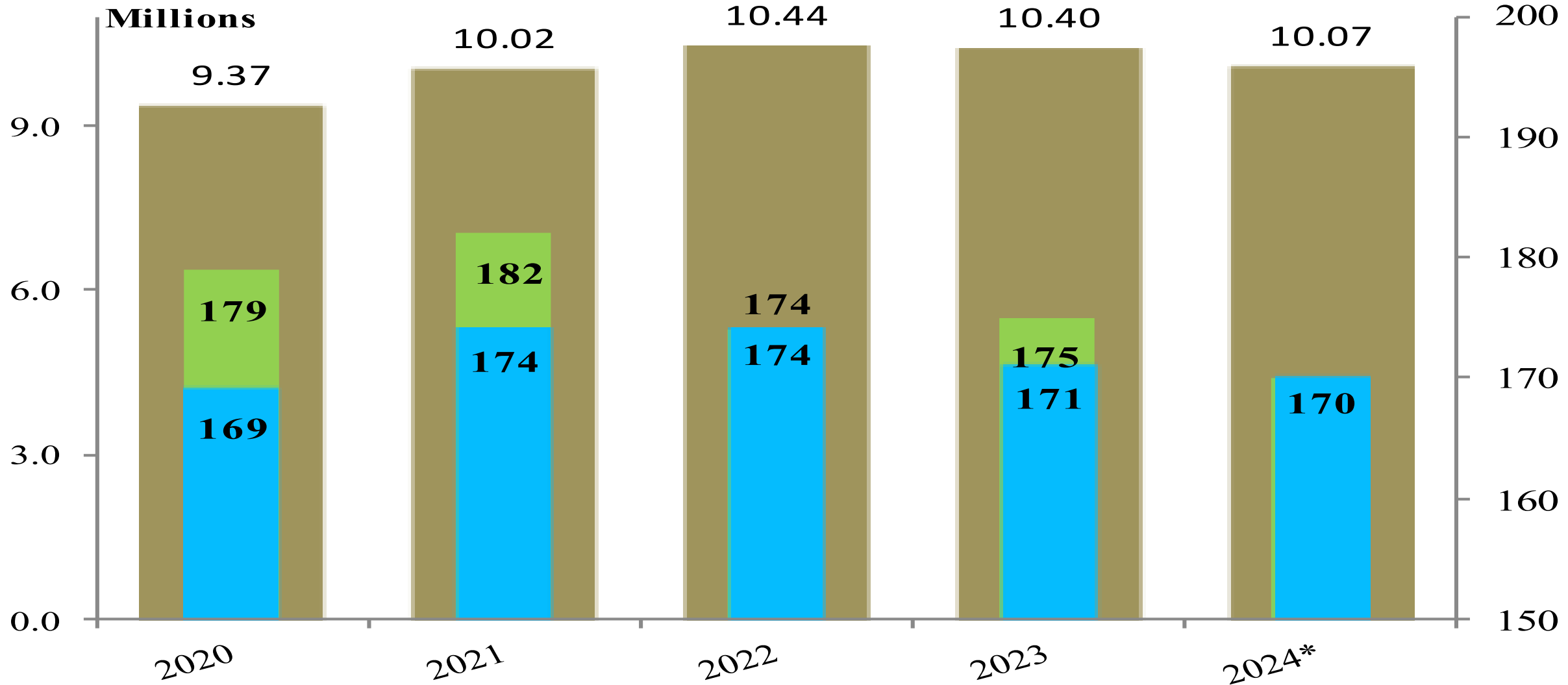


# Contribution Hours - Monthly

## Health & Welfare Fund Contribution Rates



# IBEW Contribution Rates



# Challenges for LINECO

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- **US Healthcare System**
  - ✓ Its broken
  - ✓ Costs increase while quality continues to lag
  - ✓ Too much waste
- **Mental Health Challenges**
  - ✓ Removing stigma
- **Member Engagement**
- **Compliance**



# US Healthcare System Challenges

# How does the US stack up?












US consistently ranks #1 in per capita cost of healthcare



US Consistently ranks out of the top 10 in quality metrics.



# We pay the Most for Much Less

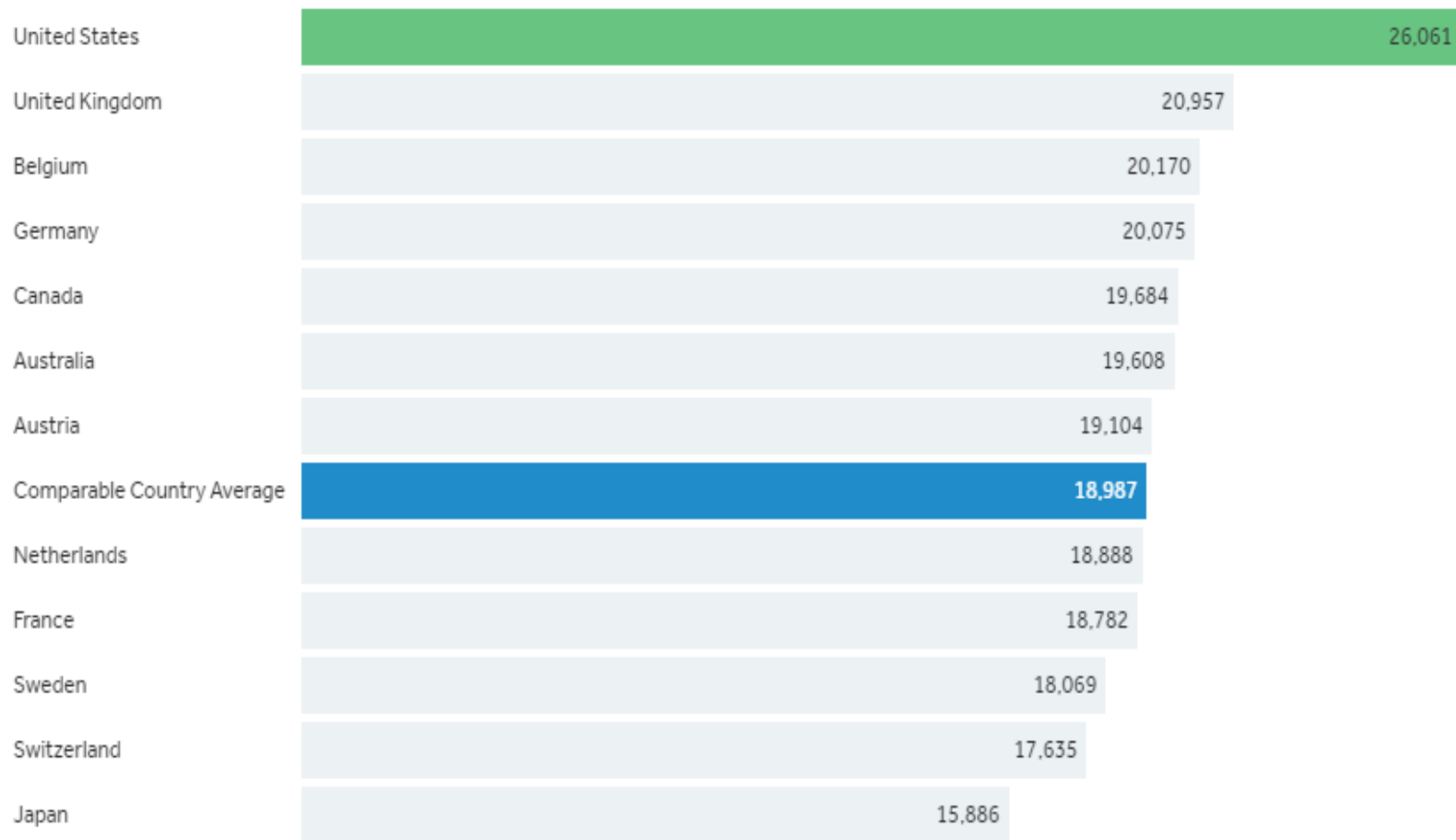
Country	Life expectancy ▲	Health spending, per capita
 United States	76.1	\$12,914
 United Kingdom	80.8	\$5,387
 Germany	80.9	\$7,383
 Austria	81.3	\$6,693
 Netherlands	81.5	\$6,190
 Belgium	81.9	\$5,274
<b>Comparable Country Average</b>	<b>82.4</b>	<b>\$6,003</b>
 France	82.5	\$5,468
 Sweden	83.2	\$6,262
 Australia	83.4	\$5,627
 Switzerland	84.0	\$7,179
 Japan	84.5	\$4,666

Notes: See Methods [section](#) of "How does U.S. life expectancy compare to other countries?"



Loss in  
Quality of  
Life Even  
Greater

### Age-standardized disability adjusted life year (DALY) rate per 100,000 population, 2019

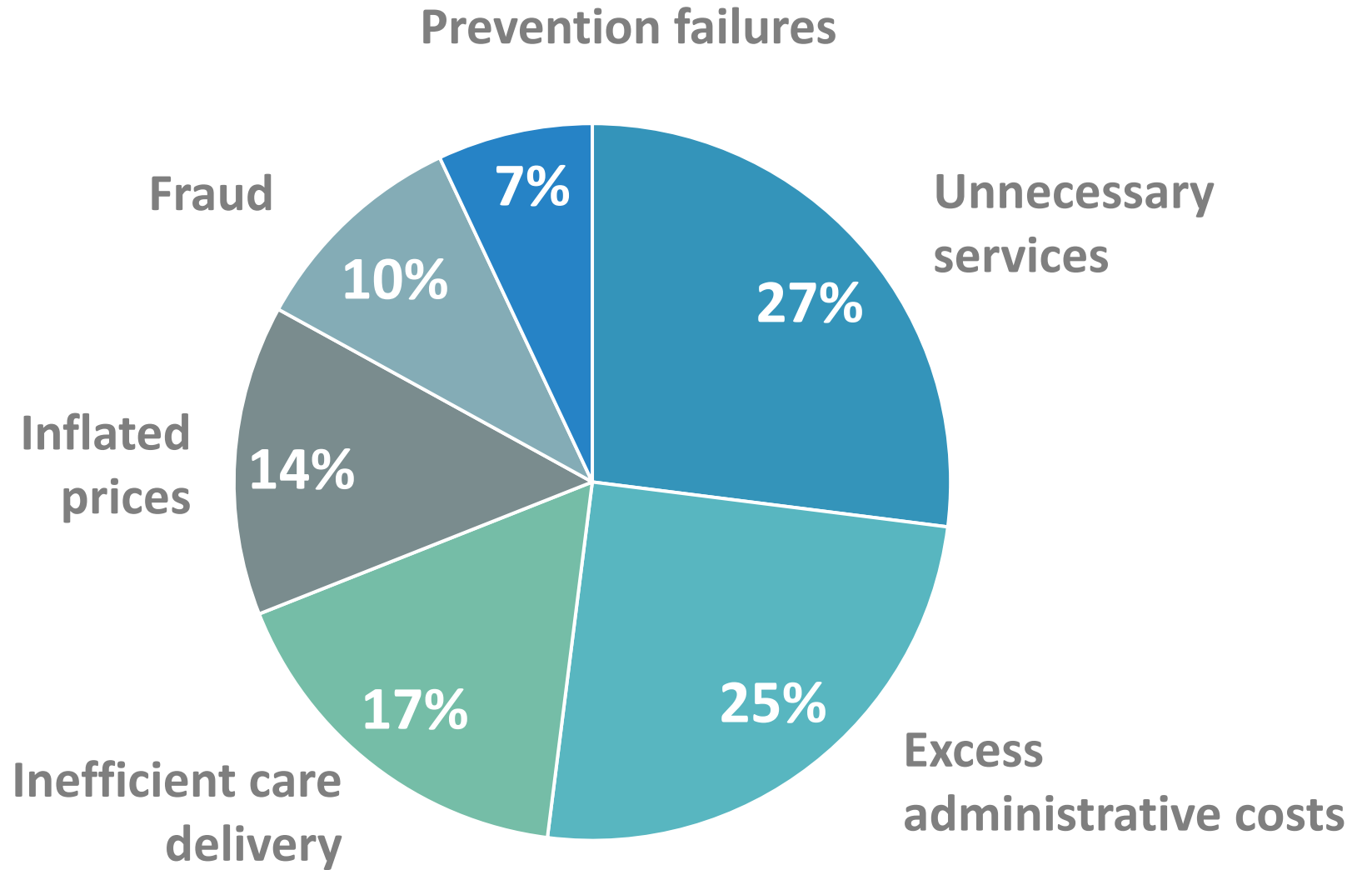


Source: KFF analysis of IHME GBD data • [Get the data](#)

**Nearly 1/3 of  
healthcare system  
spending is waste.**



# How is it wasted?

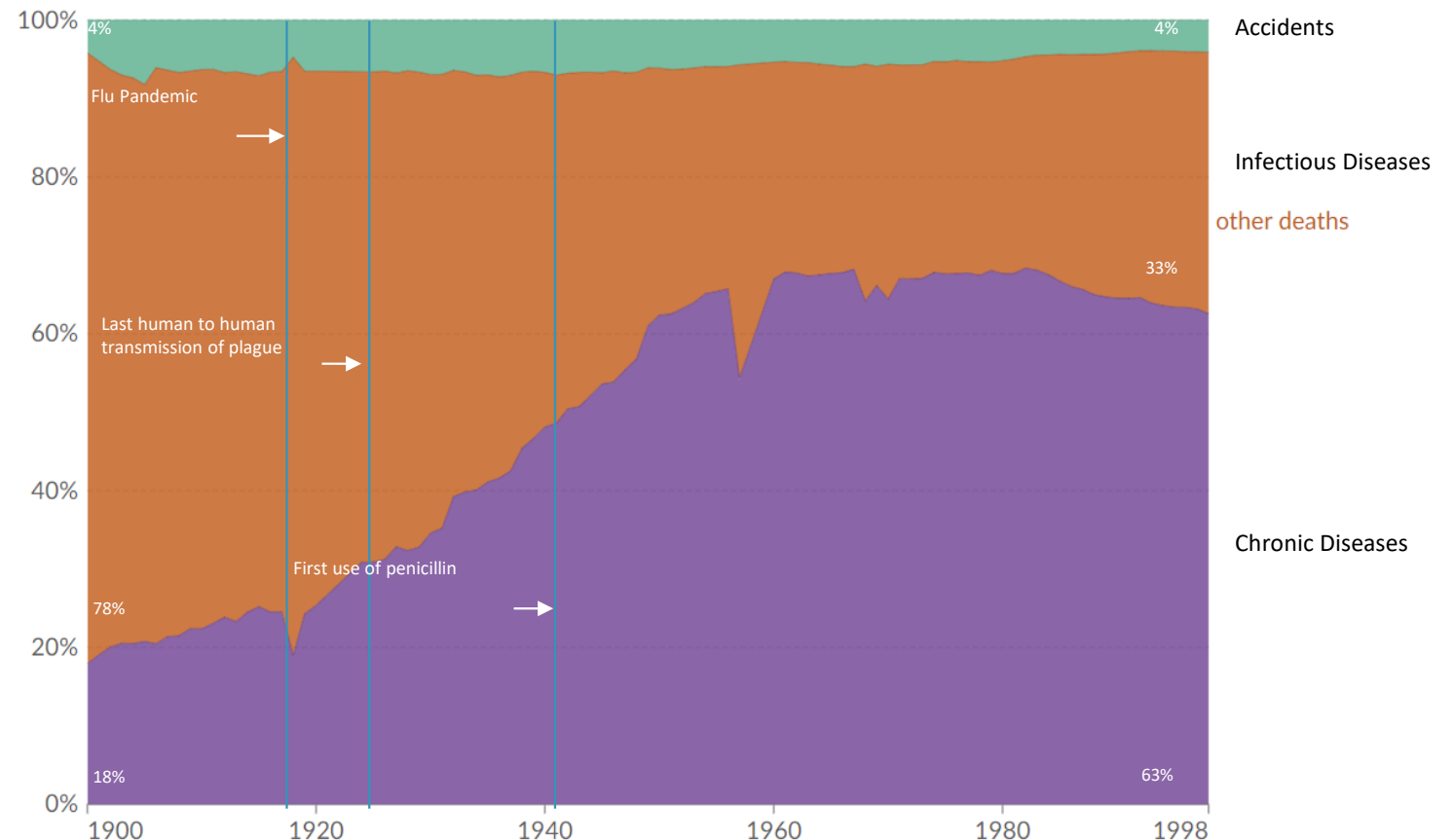


- Chronic disease made up more than 85% of deaths in the US in 2011.
- Healthcare spending on chronic disease is more than 85% of the total.

## Causes of death in the United States over the 20th century

Our World in Data

The annual reported number of deaths, broken down by cause. This includes accidents, non-communicable causes<sup>1</sup>, and a category showing communicable causes<sup>2</sup>, infectious, neonatal and other deaths together.



Data source: Centres for Disease Control and Prevention (1998)

[OurWorldInData.org/causes-of-death](https://OurWorldInData.org/causes-of-death) | CC BY

# The US Healthcare Problem



Other:

Bottom Line: Improve these areas to avoid being forced to be part of the US healthcare system that is TERRIBLE.



# Mental Health Challenges

# What is Mental Health



Healthy functioning in a variety of environments

- Home
- Work
- Socially

Wellbeing/Resilience factors

Happiness

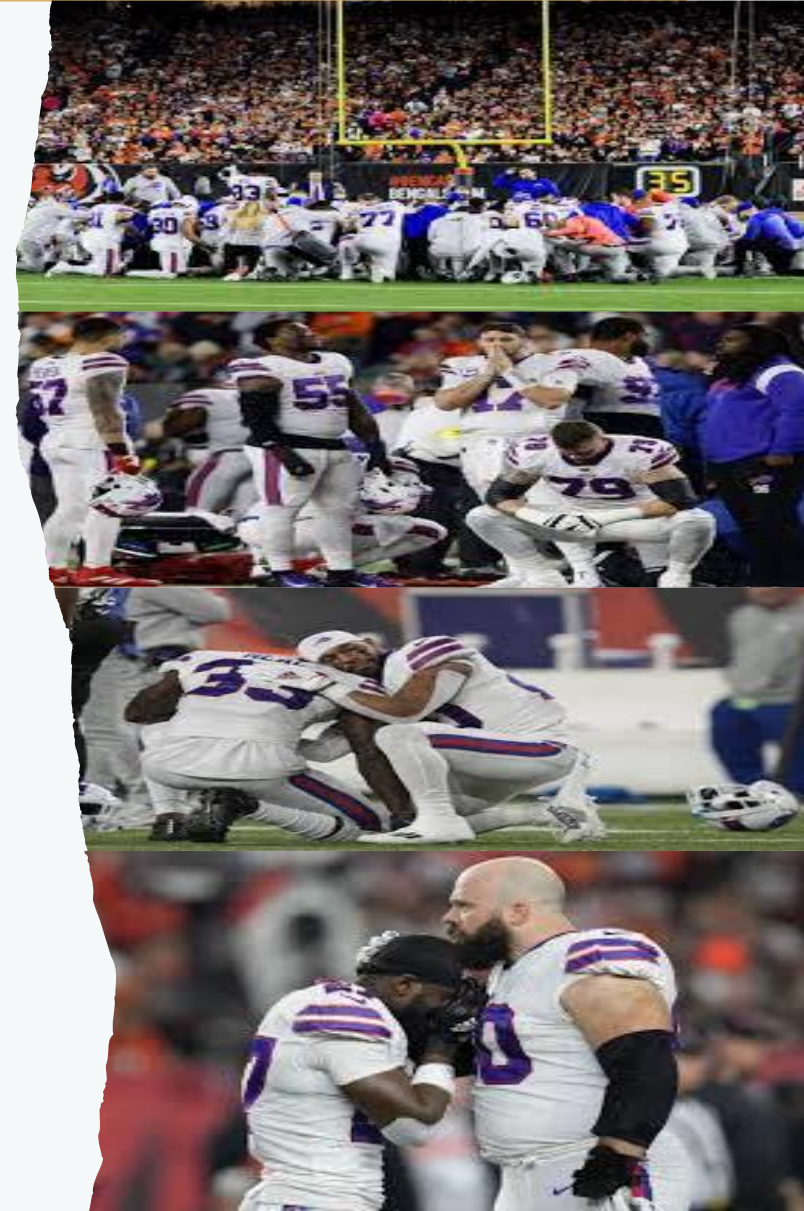
Strong Relationships

According to Mayo Clinic, mental health is the overall wellness of how you think, regulate your feelings and behave.



Our Brothers and Sisters on the job risk their lives every day and unfortunately sometimes bad things happen

We need to make sure our members are supported and understand seeking help is NO sign of weakness!!!



# Welcome to Talkspace,

Taking care of your mental health helps you show up as your best, most authentic self

Over the last decade, Talkspace has supported more than 2.9 million adults, teens, and couples with counseling and therapy services. You'll be connected with a licensed counselor so you can share what's on your mind, wherever you are, from the convenience of your phone or laptop.

**Talkspace is FREE** and an enhancement to your member assistance plan (MAP) benefit.



## How it works

Review your best personal provider match based on your intake assessment and preferences. Start your therapy by sending text, voice, or video messages – messages can be as short or as detailed as you'd like. Counselors respond daily during their business hours, which often includes weekends. You can also book live sessions for real-time conversations. Your counselor stays with you throughout your Talkspace journey (but if you're not feeling the connection, it's easy to switch).

Talkspace's clinical network includes thousands of licensed and verified counselors who specialize in things like:

- Stress
- Eating disorders
- Anxiety
- Substance use
- Depression
- Sleep
- Relationships
- Identity struggles
- Healthy living
- ADHD
- Trauma & grief
- and more

## Ready to get started

- To register, visit [talkspace.com/carelonwellbeing](https://talkspace.com/carelonwellbeing) or your MAP website and enter your company name: LINECO
- Complete our QuickMatch™ questionnaire to share your preferences and review your best personal provider match
- Start messaging in your private digital room, or book a live session

Your MAP offers **6** counseling sessions per issue per year. With Talkspace, one session generally equals one week of access and the ability to send unlimited messages to your therapist, or one completed live video session.



**If you have any questions,  
please call 800-332-2191**





# Member Engagement



# Methods of Engagement



**THE LINE CONNECTION**

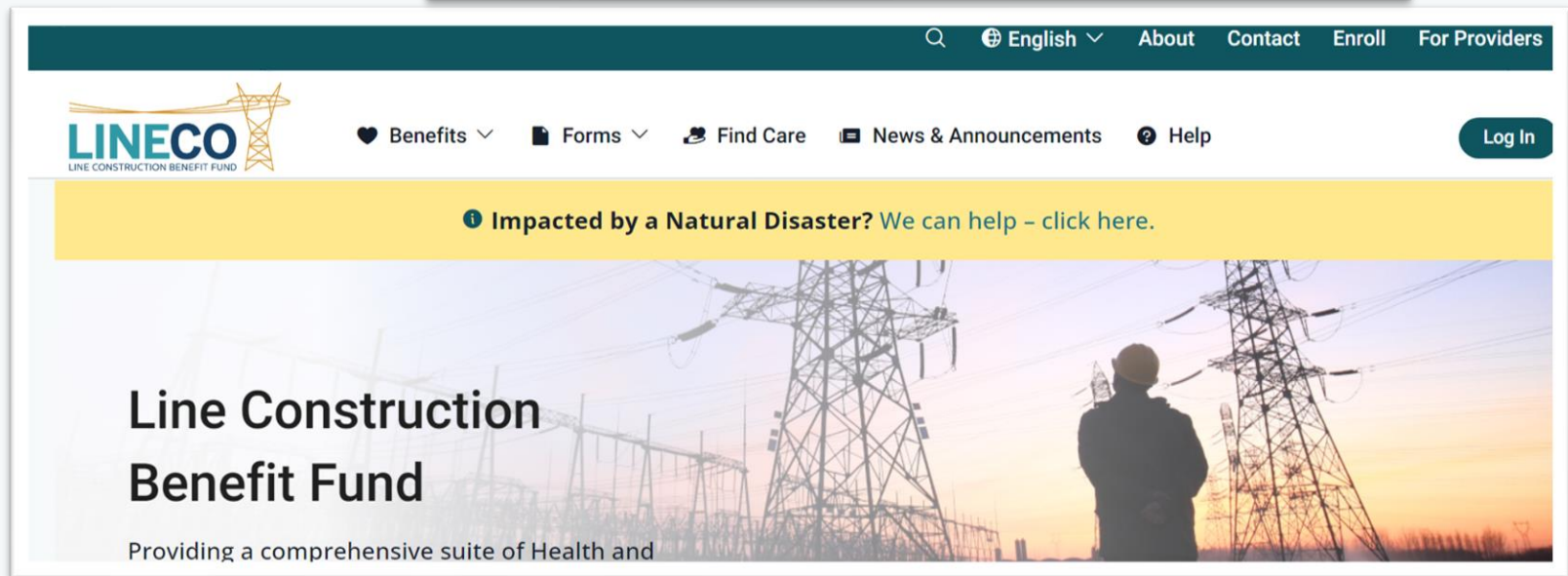
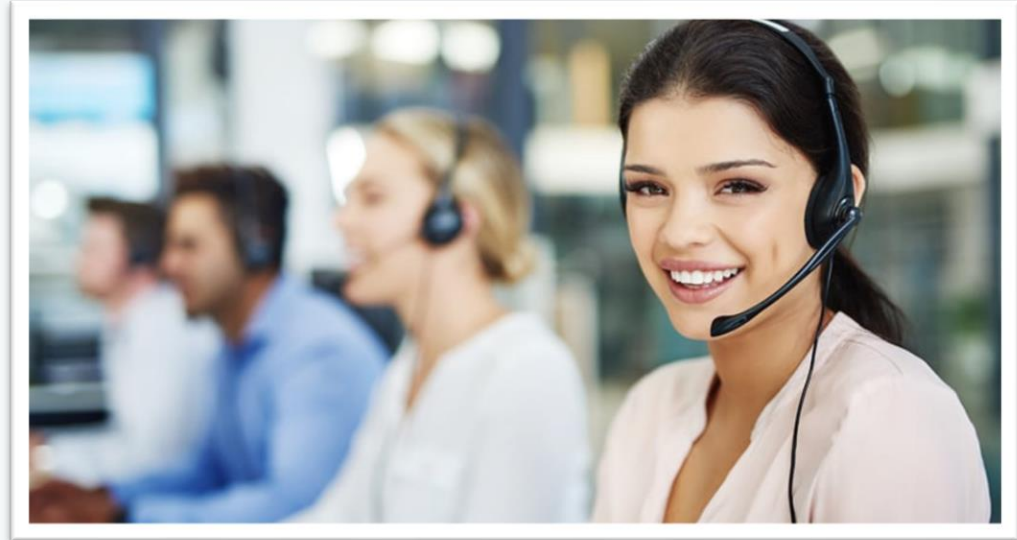
LINE CONSTRUCTION BENEFIT FUND

NECA

Benefit News for LINECO Participants

SUMMER 2024

**Trustees Announce Reduced Retiree Rate for Long-Standing Members**



English About Contact Enroll For Providers

LINECO LINE CONSTRUCTION BENEFIT FUND

Benefits Forms Find Care News & Announcements Help

Log In

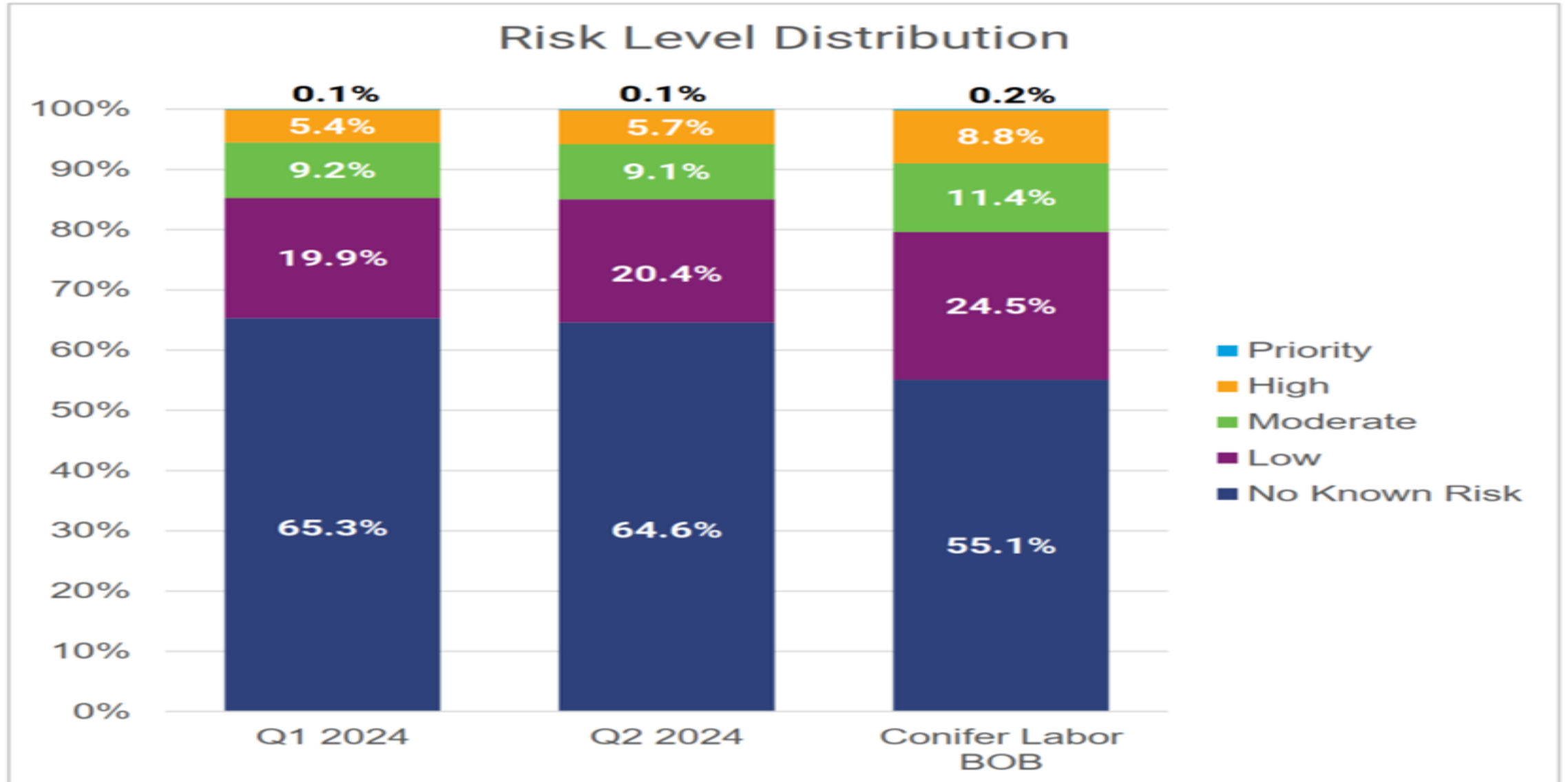
Impacted by a Natural Disaster? We can help - click here.

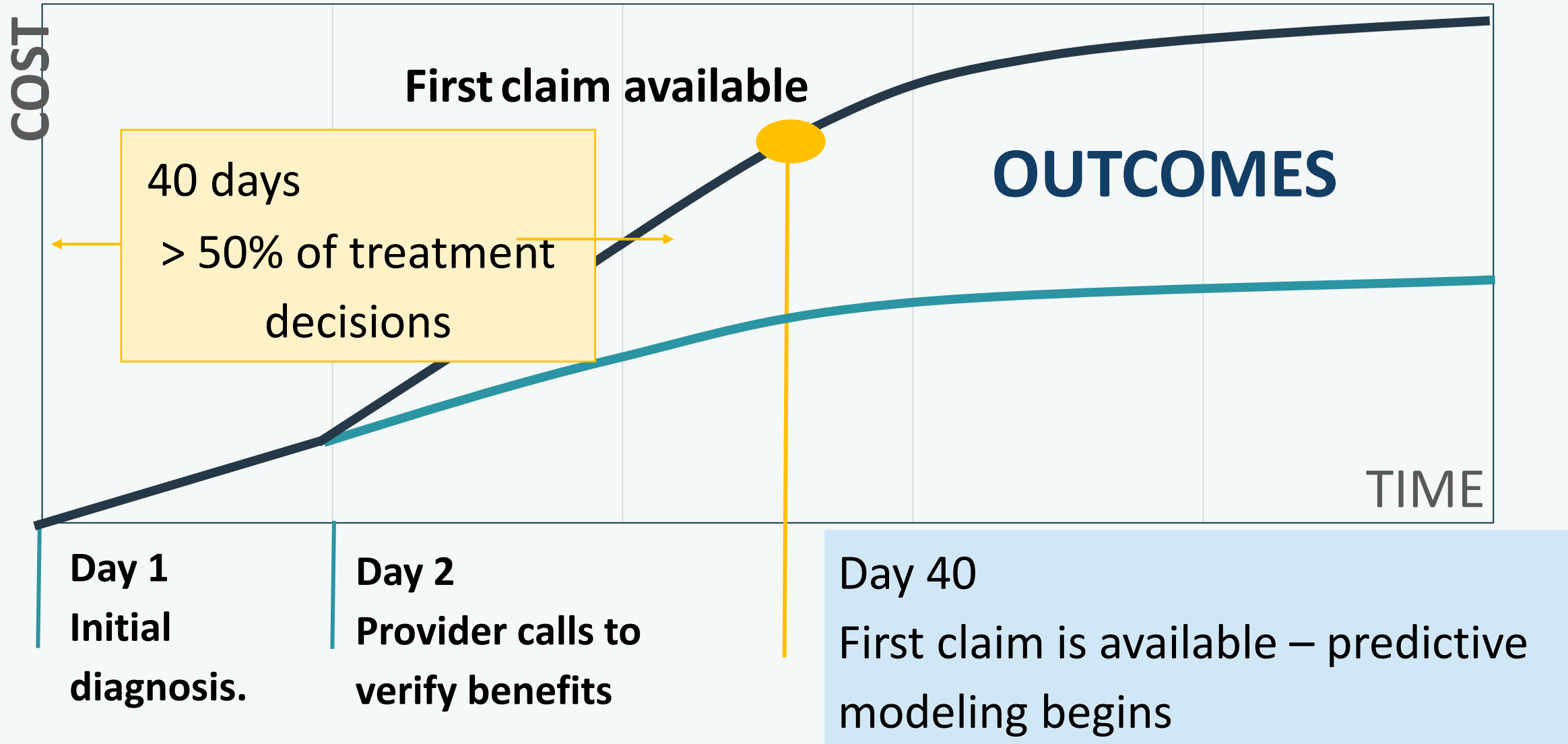
## Line Construction Benefit Fund

Providing a comprehensive suite of Health and



# Who to Engage?







# When to Engage?



# When to Engage?

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# Compliance Issues



# Key Compliance Items

## ***MHPA Final Rule on NQTL***

### ***Reporting***

- Network sufficiency and composition
- Address any network deficiencies
- Increased information to be reviewed

## ***HIPAA final Rule on Reproductive Healthcare***

- Plans must provide expanded review of LE requests that includes reproductive health information

# Key Compliance Items



## *Expanded Fiduciary Obligations under new Guidance*

- Focused on cybersecurity
- Increased monitoring of vendor partners (current and ongoing)

## *No Surprises Act Compliance*

- Impact of IDR processes and outcomes
- To date, providers winning more than plans, with plans paying more than expected





# Part III: The Work Plan

# Strategic Planning

Multi Year Vision



Set Goals



Evaluate Every Year

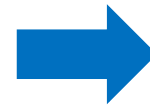
# Strategic Plan: Guiding Principles



*Cradle to grave, it is always about the members.*



*Benefit plans separate from employer.*



*Data driven approach.*

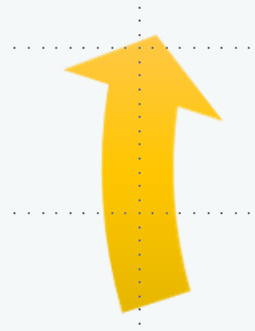


*Moving from one size fits all to a tailored approach.*

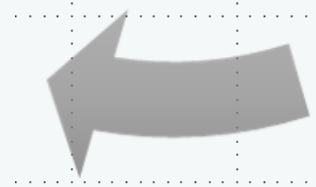


# Strategic Plan: Guiding Principles

**Assess** current offerings based on plan data



**Evaluate** plan performance in meeting Fund's goals



*STRATEGIC APPROACH*



**Propose** solutions based on plan data that align with fund goals



**Implement** solutions utilizing vendor relationships and integrating member engagement strategy



# Part IV: Areas of Focus

## ***Cost per Unit***



## ***Units of Healthcare Purchased***



## ***Quality + Efficiency***



## ***Member Advocacy***



# Key Strategies

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- **Working with best-in-class partners**
- **Utilize data to identify areas of opportunity**
- **Utilize member feedback to improve plan experience**
- **Create solutions across spectrum of member care**



**Keeping the lights on.....**

**THROUGH RAIN AND HAIL  
SNOW AND WIND  
HURRICANES AND TORNADOES**



# Thank you!!!!!!

Travis Smith, *President* – Health & Welfare



**FOSTER & FOSTER**  
ACTUARIES AND CONSULTANTS



**MORNING BREAK**  
**15 - MINUTES**