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Memorandum

To: Peter Goldberger

From: Margaret Lennon
Benjamin Birnbaum
Mary Kirby, FSA, FCA, MAAA

Date: September 9, 2025

Re: **32BJ Health Funds Minimum Value Certification**

We have reviewed the Building Service 32BJ Health Fund's and North Health Fund's health plan options to determine whether the coverage provides "minimum value" (MV) under the Affordable Care Act.[1] Generally, a plan fails to provide minimum value if the plan's share of the total allowed costs of benefits provided under the plan is less than 60 percent of those costs. Regulations implementing the Act provide that minimum value will be determined using one of three methodologies, discussed on the next page.

Results

32BJ Health Funds' plan designs were priced using Segal's proprietary pricing program as the Funds' plan designs contain non-standard features that are not suitable for the use of the government's minimum value calculator. We have determined that the tested plan designs listed below meet the Minimum Value Requirement of the Affordable Care Act. Separate actuarial certifications for each of the plans listed below are provided at the end of this memorandum.

Plan	Meets Minimum Value Requirement?
Metropolitan Plan	Yes
Suburban Plan	Yes
Suburban PA Plan	Yes
Tri-State Plan	Yes
Basic Plan	Yes
North Health Fund	Yes

[1] Section 36B(c)(2)(C)(ii) of IRC

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All calculations have been prepared under the direction of Mary P. Kirby, FSA, FCA, MAAA. Our calculations are based on the current guidance available. Future guidance could alter the results of these calculations. However, based on the Funds' plan designs, we do not anticipate that any future guidance would change the minimum value calculation result.

Assumptions

There are three different methods that can be used to determine whether a plan meets the minimum value (MV) requirement:

- MV calculator provided by HHS and IRS,
- Safe harbors established by HHS and IRS (regulations establishing safe harbor plan designs have not been published as of this writing),
- Certification by an actuary to determine MV if the plan contains non-standard features that are not suitable for either of the methods above.[2]

Since the plan design has some features that are not easily priced in the government minimum value calculator, we used our internal pricing program to determine the actuarial value of the plans. In determining whether the Plans have met the Minimum Value test, we made the following assumptions:

1. Generally, with the exceptions noted below, we assumed that the current plan design will be in place for the 2026 plan year. All plans are non-grandfathered.
2. The most recent Summary of Benefits and Coverage (SBC) documents for the 2025 plan year for each plan option was determined to be the current plan design. The SBCs can be found on the Fund's website: https://health.32bjfunds.org/en-us/healthplans.aspx
3. We assumed a standard population and utilization to determine whether the plans meet the minimum value requirement, based on our proprietary pricing program.
4. Vision and dental benefits were not included in the calculation.
5. We reviewed existing guidance on minimum value calculation, including the Minimum Value Calculator and Methodology available at http://cciio.cms.gov/resources/files/mv-calculator-methodology.pdf; and the final regulations at 45 CFR § 156.145.

[2] Section 156.145 of Federal Register/Vol. 78, No. 37

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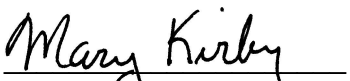
Actuarial Certification

I am a qualified Actuary and a member of the American Academy of Actuaries. I am familiar with the requirements for, and am qualified to determine, whether or not the plan designs tested meet the Minimum Value Requirement of the Affordable Care Act.

Our testing for minimum value relies on proprietary modeling software as well as models that were developed by others. These models produce an actuarial value representing the plans share of costs. Our Health Technical Services Unit, comprised of actuaries and programmers, is responsible for the initial development and maintenance of these models. In addition, they are also responsible for testing models that we purchase from other vendors for reasonableness. The client team inputs the plan provisions or claims data as well as assumptions into these models and reviews the results for reasonableness, under my supervision.

The percentage of total allowed costs of benefits provided under the plans is more than 60% and therefore meets the minimum value requirement.



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