

FAQS RE: SMART/SMACNA MATERNITY PROGRAM

On September 5, 2024, the Sheet Metal and Air Conditioning Contractors' National Association (“SMACNA”) and the International Association of Sheet Metal, Air, Rail, and Transportation Workers (“SMART”) announced the creation of the SMART/SMACNA Maternity Program, which is a new paid maternity leave program that is available to areas through the Sheet Metal Industry Labor-Management Cooperation Fund (“LMCF”).

The SMART/SMACNA Maternity Program provides the following benefits to eligible SMART female members in good standing:

- Up to *\$800 per week* of paid maternity leave benefits (through adopting local health and welfare funds) for up to 6 months.
- This includes up to *6 weeks* of “post-delivery benefits” (8 weeks for a cesarean section) and up to *20 weeks* of “lost-time benefits,” which are pre-delivery benefits for workers who are certified by their physician as unable to work as a result of their pregnancy. The maximum weekly benefit is 6 months (or 26 weeks).

The benefits are not paid to members directly. Instead, the LMCF reimburses the local health and welfare fund (“H&W fund”) for providing qualifying “paid maternity leave benefits.”

Areas that would like to adopt the SMART/SMACNA Maternity Program must have their proposed plan amendments reviewed by the Fund. Once adopted, the SMART/SMACNA Maternity Program will reimburse local H&W funds for qualifying payments made to eligible SMART female members in good standing under the program.

To help contractors and associations understand the new program, SMART and SMACNA have developed a list of frequently asked questions (“FAQs”) regarding the SMART/SMACNA Maternity Program. A sample plan amendment developed by SMART and SMACNA is also included with these FAQs.

I. BACKGROUND

FAQ #1: What is the SMART/SMACNA Maternity Program?

The SMART/SMACNA Maternity Program is a new paid maternity leave program that is available to areas through the Sheet Metal Industry Labor-Management Cooperation Fund (“LMCF”). The LMCF will maintain a dedicated separate fund intended specifically for the SMART/SMACNA Maternity Program.

FAQ #2: Does the SMART/SMACNA Maternity Program pay benefits to members directly?

No. The SMART/SMACNA Maternity Program does not pay benefits directly to employees. Instead, the Program is a reimbursement program that reimburses the local health and welfare fund (“H&W fund”) for qualifying “paid maternity leave benefits” that were paid to eligible female SMART members in good standing by the local fund to the eligible employee.

FAQ #3: Do all areas offer “paid maternity leave benefits”?

No. To be eligible for reimbursement from the LMCF, a local H&W fund needs to first offer a qualifying “paid maternity leave benefit.” If the local H&W fund does not offer a qualifying “paid maternity leave benefit,” then the local H&W fund is not eligible for reimbursement by LMCF.

Areas that would like to adopt the SMART/SMACNA Maternity Program must have their proposed plan amendments reviewed by the Fund.

SMART and SMACNA have drafted a sample plan amendment. A copy of the sample amendment is provided with this FAQ.

FAQ #4: How does a local H&W fund become eligible for reimbursement?

To be eligible for funds, a local H&W fund must adopt or maintain a paid time off/disability program which meets the requirements of the SMART/SMACNA Maternity Program.

This decision may require a vote or approval from the local organization. *In addition, the H&W plan must be submitted to the LMCF for review before adoption.*

SMART and SMACNA have drafted a sample plan amendment. A copy of the sample amendment is provided with this FAQ.

FAQ #5: How is the SMART/SMACNA Maternity Program funded?

The SMART/SMACNA Maternity Program was funded by SMART and SMACNA contributions to the LMCF.

FAQ #6: What happens if the LMCF stops funding the Maternity Program?

After the initial investment, at the sole discretion of either SMART or SMACNA, SMART or SMACNA can discontinue funding this SMART/SMACNA Maternity Program. If there is not sufficient funding for reimbursement, then the LMCF will stop reimbursing claims from local H&W funds.

FAQ #7: Does the Local H&W Fund need to keep providing maternity leave benefits if the LMCF stops reimbursing the Local H&W Fund?

Yes, unless the local H&W fund adopts an amendment providing that benefits will be paid only if funds are no longer fully reimbursable by the SMART/SMACNA Maternity Program.

SMART and SMACNA have created a sample plan amendment that expressly terminates the benefits if the benefits are no longer fully reimbursed:

This Amendment shall be effective as indicated herein. This Amendment shall remain effective only for as long as all benefits provided remain reimbursable as approved by the SMART/SMACNA Maternity Program. In the event the benefits described in this Amendment are no longer fully reimbursable from the SMART/SMACNA Maternity Program, this Amendment shall immediately become ineffective, null and void and any benefits provided to any beneficiary hereunder shall immediately cease.

A copy of the sample amendment drafted by SMART and SMACNA is provided with these FAQs.

II. REIMBURSABLE BENEFITS

FAQ #8: Which claimants can the local H&W fund receive reimbursement on??

If the local H&W fund offers a qualifying “paid maternity leave benefit,” it can request reimbursement for claims paid to female SMART members who meet the following criteria:

- Are an active SMART member in good standing.
- Have completed at least 1,000 hours of “Covered Employment” for which required contributions have been paid by the member’s employer within the 12 months immediately preceding the onset of their pregnancy-related disability or the birth of their child(ren).

The participant also cannot have received a paid maternity leave benefit that the H&W received reimbursement from the LMCF within the previous 24 months.

FAQ #9: What reimbursable benefits are available to eligible female SMART members?

The SMART/SMACNA Maternity Program provides reimbursement of up to ***\$800 per week*** of paid maternity leave benefits (through adopting local H&W funds) for up to 6 months (or 26 weeks).

There are two types of benefits available to eligible members:

- (1) Post-delivery benefits; and

- (2) Lost-time benefits.

Post-delivery benefits are available for up to 6 weeks following the birth of the child (8 weeks if the child is delivered via cesarian section).

Lost-time benefits are available for up to 20 weeks for eligible members who are unable to work as a result of their pregnancy.

FAQ #10: Is there a limit on total reimbursable benefits?

The total combined benefit for both pre- and post-delivery periods that can be reimbursed by the LMCF will be capped at a maximum of 6 months (or 26 weeks).

Also, the participant cannot have received a paid maternity leave benefit that the H&W received reimbursement from the LMCF within the previous 24 months.

FAQ #11: Is a doctor's note required for post-delivery benefits to be reimbursed?

No. To be eligible to have post-delivery benefits reimbursed, a physician's certification is not required. Documentation may be required regarding the date of the birth and whether the delivery was via cesarean section.

FAQ #12: Is a doctor's note required for lost-time benefits to be reimbursed?

Yes. To be eligible to have lost-time benefits reimbursed, the member must be certified by their physician as unable to work due to a pregnancy-related physical illness or condition. Post-delivery benefits are not available until the fourth month of pregnancy.

FAQ #13: Who pays the eligible female SMART member?

The local H&W fund pays the eligible member pursuant to its plan, which was amended to provide for qualifying "paid maternity leave benefits."

After the local H&W fund pays the eligible member, the H&W fund can apply for reimbursement from the LMCF.

FAQ #14: Is there an offset if the employee receives other forms of paid leave?

Yes. If an otherwise eligible participant receives payments from another source, including but not limited to an employer leave plan, SASMI or another benefit plan, or as a result of a local, state or federal ordinance, law or regulation, reimbursement will not be made to the extent of any funds received from another source.

For example, if an eligible participant receives maternity leave benefits in the amount of \$600 weekly from the eligible participant’s employer, the H&W fund will only be eligible to receive reimbursement for benefits up to \$200 weekly.

III. APPLYING FOR REIMBURSEMENT

FAQ #15: How does an area start offering qualifying “paid maternity leave benefits” that are eligible for reimbursement by the LMCF?

If a local H&F Fund wants to start offering benefits in accordance with the SMART/SMACNA Maternity Program that are eligible for reimbursement, the local H&F Fund should take the following steps:

- First, the H&W fund must adopt or maintain a paid time off/disability program which meets the requirements of the SMART/SMACNA Maternity Program. The H&W plan must be submitted to the LMCF for review before adoption.
- Second, once the qualifying benefit is adopted, participants can utilize the benefit (i.e., post-delivery benefits and/or lost-time benefits) provided that they meet the eligibility criteria. See FAQ #6-7. The local H&W fund will pay eligible participants.
- Third, the local H&W fund will need to apply for reimbursement from the LMCF.
- Fourth, the LMCF or its designee(s) will review the reimbursement requests and determine their validity and the eligibility of the employee benefits for which the H&W fund is seeking reimbursement.
- Finally, once reimbursement requests are approved, funds will be disbursed to the H&W fund for the maternity-related paid time off expenses. Disbursement may be in the form of a check or direct deposit.

FAQ #16: How does an area apply for reimbursement from the LMCF?

After paying benefits consistent with the eligibility criteria, the H&W fund seeking reimbursement will be required to certify a participant’s eligibility in the SMART/SMACNA Maternity Program Reimbursement Claim Form.

In the LMCF’s discretion, the H&W fund may be required to provide documentation and proof of a participant that received benefits through the H&W fund. This documentation may include an explanation of benefits (“EOBs”) from healthcare providers and other relevant documents as required by the LMCF.

SMART/SMACNA SAMPLE PLAN AMENDMENT

**AMENDMENT
TO THE _____ HEALTH AND WELFARE FUND
TO ADOPT THE SMART/SMACNA MATERNITY PROGRAM**

Pursuant to the resolution adopted at the _____ meeting of the Trustees of the _____ Health and Welfare Fund (hereinafter referred to as the "Fund"), the Fund is hereby amended as follows:

WHEREAS, it has been determined that the Fund may be eligible for certain reimbursements under the SMART/SMACNA Maternity Program if it provides certain Fund Participants with specific maternity leave benefits as specified by the SMART/SMACNA Maternity Program;

WHEREAS, the Trustees have determined that it is in the best interest of the Fund Participants to amend certain short-term disability benefit, long term disability benefit and any sick and safe time provisions of the Fund to provide certain limited maternity leave benefits to be eligible for reimbursement by the SMART/SMACNA Maternity Program.

NOW THEREFORE, the Fund is amended effective _____, 202_ as follows:

1. Section _____ of the Fund is amended to read in its entirety as follows:

2. Section _____ of the Fund is amended to read in its entirety as follows:

3. This Amendment shall be effective as indicated herein. This Amendment shall remain effective only for as long as all benefits provided remain reimbursable as approved by the SMART/SMACNA Maternity Program. In the event the benefits described in this Amendment are no longer fully reimbursable from the SMART/SMACNA Maternity Program, this Amendment shall immediately become ineffective, null and void and any benefits provided to any beneficiary hereunder shall immediately cease.

IN WITNESS WHEREOF, _____ of the Board of Trustees has caused this Amendment to the Fund to be executed effective _____.

By: _____