

## **Health Insurance Per Hours Payments**

Prevailing wage jobs require contractors to make specified payments into a health insurance plan, or pay the worker the amount in cash, or make some combination of payments. For example:

- The prevailing rate for health plan payments is \$3.50 an hour and the contractor pays the amount in cash to the worker.
- The prevailing rate for health plan payments is \$3.50 an hour and the contractor pays \$1.50 an hour to a qualified health plan and \$2.00 an hour to the worker.
- The prevailing rate for health plan payments is \$3.50 an hour and the contractor pays the amount to a qualified benefit plan.

To research health care costs you need the plan sponsor's annual filing, called a Form 5500. You can get this on the internet [[www.freeerisa.com](http://www.freeerisa.com)] but only for the most recent years. However, once you have some filings and have plan types and numbers, you can request additional years from DOL public disclosure office. [202-693-8673] When making the request, use the Employer Identification Number (EIN) found used on the document. Always request any schedules or appendixes filed with the 5500, even for the years you obtained on the internet. These extra documents, not included on the internet site, often contain the most valuable information.

You can make an estimate even without a direct statement. First, take the number of active participants and multiply by the likely annual hours worked to determine the total hours worked by plan participants. [In construction this is often less than 2,000 hours a year] Next, find the total employer contributions line and divide this amount by the total number of hours worked to calculate the per hour worked employer contributions.

This calculation will only be an estimate, but if the amount is significantly below the required prevailing wage health benefit payments, and you can show that workers did not receive any supplemental wage payments, you should be able to ask a government contracting agency to investigate.