

ILWU-PMA BENEFIT PLANS /

International Longshore & Warehouse Union –
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ILWU-PMA Pension Plan
ILWU-PMA Welfare Plan

ILWU-PMA Watchmen Pension Plan

To:

Date: October 2015

RE: **Important Notice Regarding Your Prescription Drug Coverage and Medicare Part D**

Summary: **ILWU-PMA Welfare Plan Prescription Drug Coverage for all Participants is Creditable Coverage under Medicare Part D.**

This is a required notice for all Medicare eligible employees, pensioners, and/or dependents who are age 65 or older or are disabled and are receiving Social Security disability benefits. If you or your dependents do not fall within these categories, this notice does not apply to you at this time. The purpose of this notice is to provide proof of "creditable coverage" for Medicare eligible employees, pensioners, and/or dependents. If you are a Medicare eligible employee, pensioner or dependent please keep this notice for your records.

- Effective January 1, 2006, new prescription drug coverage from Medicare (Medicare Part D) became available to everyone eligible for Medicare benefits. **Your existing prescription drug coverage under the Welfare Plan has been determined to be better than coverage under a Medicare Part D prescription drug plan. Therefore, do not enroll in a Medicare Part D prescription drug plan.**
- **You will continue to receive prescription drug coverage under the ILWU-PMA Welfare Plan.** Because your existing coverage under the ILWU-PMA Welfare Plan (regardless of whether you are enrolled in the Coastwise Indemnity Plan, Kaiser, or Group Health Cooperative) is better than the standard Medicare prescription drug coverage, we urge you **not to enroll in a Medicare Part D prescription drug plan and not to agree to pay a premium for a prescription drug plan offered by any other group or individual prescription drug plan.**
- If you drop or lose your current prescription drug coverage under the ILWU-PMA Welfare Plan, you should enroll in Medicare Part D as soon as possible after your ILWU-PMA Welfare Plan coverage ends. If you do not immediately enroll in Medicare's prescription drug coverage after your ILWU-PMA Welfare Plan prescription drug coverage ends, you may have to pay more to enroll in Medicare's prescription drug coverage later. If you go 63 continuous days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly Medicare Part D premium will go up at least 1% per month for every month you did not have prescription drug coverage. You would have to pay this higher premium as long as you have Medicare Part D coverage. In addition, you may have to wait until the next standard enrollment period of October 15th through December 7th. **Remember:** This only applies in the event you drop or lose your current coverage under the ILWU-PMA Welfare Plan.
- If you have any questions about this notice or your current prescription drug coverage, contact the Benefit Plans office.

NOTE: You may receive this notice at other times in the future such as before the period you can enroll in Medicare prescription drug coverage (annually between October 15th and December 7th) or if Medicare prescription drug coverage changes. You also may request a copy from the Benefit Plans office.

More detailed information about Medicare plans that offer prescription drug coverage can be found in the "Medicare & You" handbook, which you will receive in the mail every year from Medicare.