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ILWU-PMA Pension Plan ILWU-PMA Welfare Plan ILWU-PMA Watchmen Pension Plan ILWU-PMA Supplemental Welfare Benefit Plan

December 3, 2010

TO: ILWU Longshore, Ship Clerk, and Walking Boss/Foreman Locals and Watchmen Locals 26 and 75

FROM: Elizabeth Sharpe, Manager, Welfare Plans

RE: Medicare Changes in Hospital Deductible and Coinsurance Amounts

The Centers for Medicare & Medicaid Services has announced the following changes in inpatient hospital deductible and daily coinsurance amounts effective January 1, 2011:

	2010	2011	Amount of Increase
Inpatient hospital deductible	\$1,100.00	\$1,132.00	\$32.00
Daily coinsurance amount per benefit period:			
61 st through 90 th day of hospitalization	\$275.00	\$283.00	\$8.00
91 st through 150 th day of hospitalization (lifetime reserve days)	\$550.00	\$566.00	\$16.00
21 st through 100 th day of extended care service in a skilled nursing facility	\$137.00	\$141.50	\$4.50

Medicare eligibles with coverage under the ILWU-PMA Coastwise Indemnity Plan will have no increase in their out-of-pocket costs because the Plan covers Medicare deductibles and coinsurance.

As of January 1, 2011, the standard monthly Medicare Part B premium rate deducted from Medicare enrolled members' Social Security payments will remain at \$96.40 or \$110.50 per month, as applicable, provided that the member's Medicare Part B premium was withheld by the Social Security Administration (SSA) during 2010 and that the member's modified adjusted gross income does not exceed \$85,000 (\$170,000 for couples).

For all others, including new Medicare eligibles effective January 1, 2011 and after and persons who are billed by SSA for their Medicare Part B premium, the standard monthly Medicare Part B premium rate will be \$115.40 per month effective January 1, 2011.

Individuals whose modified adjusted gross income exceeds \$85,000 (\$170,000 for couples) are subject to higher premium amounts. Pensioners and Beneficiaries whose monthly Medicare Part B premium is higher than the standard rates of \$96.40, \$110.50 or \$115.40 (whichever is applicable) must submit documentation to the Plan office verifying the amount of their monthly premium.

A copy of this memo can be downloaded at www.benefitplans.org