ILWU-PMA BENEFIT PLANS /

International Longshore & Warehouse Union — Pacific Maritime Association

1188 FRANKLIN STREET • SUITE 300 • SAN FRANCISCO, CALIFORNIA 94109

-61

(415) 673-8500

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

December 29, 2005

TO:

ILWU-Longshore, Ship Clerk, and Walking Boss/Foremen Locals and

Watchmen Locals 26 and 75

FROM:

Gail Lorentz

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 for 2006:

	2005	2006	Amount of Increase
Inpatient hospital deductible	\$912.00	\$952.00	\$40.00
Daily coinsurance amount in benefit period:			
61st through 90th days of hospitalization	\$228.00	\$238.00	\$10.00
21st through 100th days of extended care service in a skilled nursing facility	\$114.00	\$119.00	\$5.00
Daily coinsurance amount for lifetime reserve days	\$456.00	\$476.00	\$20.00

Medicare eligibles with coverage under the Coastwise Indemnity Plan will experience no increase in their out of pocket costs since the Welfare Plan pays for Medicare deductibles and coinsurance.

Effective January 1, 2006, the Medicare Part B premium deducted from Medicare enrolled members' Social Security payments will increase to \$88.50 per month. Accordingly, the Plan's reimbursement of Medicare Part B premium included in the monthly pension payments will increase from \$78.20 to \$88.50.

cc: Area Welfare Directors

GL:rk/O.P.E.I.U., Local 29, AFL-CIO/Medicare Changes-110405