

# ILWU-PMA BENEFIT PLANS /

International Longshore & Warehouse Union —  
Pacific Maritime Association [www.benefitplans.org](http://www.benefitplans.org)

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ILWU-PMA Pension Plan  
ILWU-PMA Welfare Plan

ILWU-PMA Watchmen Pension Plan

Date: June 9, 2017

TO: ILWU Longshore, Ship Clerks and Walking Boss/Foremen Locals

FROM: Mario Perez, Manager, Pension Plans

**SUBJECT: Summary Annual Report and Special Bulletin**

Enclosed is a copy of the Summary Annual Report for the year ended June 30, 2016 for the ILWU-PMA Welfare Plan. Copies of this report will be mailed to participants as required by ERISA.

The enclosed bulletin entitled “News About Your Health and Pension Benefits” as well as the “Notice of Privacy Practices” will also be sent with the Summary Annual Report to all participants.

Enclosures

A copy of this memo can be downloaded at [www.benefitplans.org](http://www.benefitplans.org)

## **SUMMARY ANNUAL REPORT FOR ILWU-PMA WELFARE PLAN**

This is a summary of the annual report of the ILWU-PMA Welfare Plan, a health, life, dental, vision, temporary disability and death benefits plan (Employer Identification Number 94-6068578, Plan Number 501), for the plan year July 1, 2015 through June 30, 2016. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

### **Insurance Information**

The plan has insurance contracts with Kaiser Foundation Health Plan Northwest, Gentle Dental, Vision Service Plan, Dental Health Services, Dental Health Services of Washington, Kaiser Foundation Health Plan No. California, Delta Dental of California, Kaiser Foundation Health Plan So. California, Harbor Dental Associates, Cigna Life Insurance Co. of North America, Group Health Cooperative of Puget Sound and Lifemap-Regence Life and Health Insurance Company to pay medical, dental, vision, life insurance, and accidental death and dismemberment claims incurred under the terms of the plan. The total premiums paid for the plan year ending June 30, 2016 were \$ 159,380,364.

Because they are so called "experience-rated" contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending 06/30/2016, the premiums paid under such "experience-rated" contracts were \$46,657,327 and the total of all benefit claims charged under these experience-rated contracts during the plan year was \$44,764,676.

### **Basic Financial Statement**

Benefits under the plan are provided by insurance and a trust fund. Plan expenses were \$741,906,535. These expenses included \$41,741,689 in administrative expenses, \$544,143,170 in benefits paid to participants and beneficiaries and \$156,021,676 in amounts paid to insurance carriers for the provision of benefits. A total of 19,446 persons were participants in or beneficiaries of the plan at the end of the plan year.

The value of plan assets, after subtracting liabilities of the plan, was \$103,950,931 as of June 30, 2016, compared to \$90,714,015 as of July 01, 2015. During the plan year the plan experienced an increase in its net assets of \$13,236,916. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$755,143,451 including employer contributions of \$731,709,936, employee contributions of \$14,066,840, other contributions of \$55,708, earnings from investments of \$51,437, and income from Medicare and other government subsidies of \$9,259,530.

### **Your Rights to Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- an accountant's report;
- financial information;
- assets held for investment;
- insurance information, including sales commissions paid by insurance carriers;
- information on payments to service providers.

To obtain a copy of the full annual report, or any part thereof, write or call the office of The Board of Trustees at 1188 Franklin Street, 3rd Floor, San Francisco, CA 94109-6800, or by telephone at (415) 673-8500.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan, The Board of Trustees, 1188 Franklin Street, 3rd Floor, San Francisco, CA 94109-6800, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

# NEWS ABOUT YOUR HEALTH AND PENSION BENEFITS

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The information that follows concerns health and pension benefits for *eligible* active and retired Longshoremen, Ship Clerks, Walking Bosses/Foremen and Watchmen, and their qualified dependents.

\* **Women's Health and Cancer Rights Act of 1998:**

On October 21, 1998 Congress passed the "Women's Health and Cancer Rights Act of 1998." Under this law, effective January 1, 1999 health plans must provide the following coverage after a mastectomy, as determined in consultation with the attending physician and the patient:

- ⇒ reconstruction of the breast on which the mastectomy was performed
- ⇒ surgery and reconstruction of the other breast to produce a symmetrical (balanced) appearance
- ⇒ prostheses (artificial replacements)
- ⇒ services for physical complications resulting from the mastectomy

All ILWU-PMA Welfare Plan health care programs provide this coverage and are in compliance with the law. *If you have any questions about this law, please contact your respective health plan or the Benefit Plans Office.*

\* **Life Insurance Beneficiary Designation Form (for Active and Retired Longshoremen):**

Please remember to keep your Beneficiary Designation Form current. Changes in beneficiary designation may be made at any time by submitting a new Beneficiary Designation Form to the Benefit Plans Office. The Beneficiary Designation Form is available at your Local and the Benefit Plans Office.

**Beneficiary Designation Forms must be submitted to the Trustees c/o the ILWU-PMA Benefit Plans Office, 1188 Franklin Street, Suite 101, San Francisco, CA 94109. A change in beneficiary designation is not effective until the completed and signed form is received by the Trustees at the Benefit Plans Office.**

\* **Active and Retired Member's Address Changes:**

It is important to notify the Plan office when your **address changes**. To request an address change, call the Benefit Plans Office at (415) 673-8500 to request a Record Change Form, or you can download the form at [www.benefitplans.org](http://www.benefitplans.org). Actives and Retirees can also send a signed written address change request to: ILWU-PMA Benefit Plans, 1188 Franklin Street, Suite 101, San Francisco, CA 94109.

\* **Who May Sign on Behalf of Pensioners:**

Under the rules of the ILWU-PMA Pension Plan, pension checks, address change requests, etc., must be signed by the pensioner or other person authorized to act on the pensioner's behalf, such as a court appointed guardian and/or conservator of the pensioner's estate. Under certain circumstances, benefit payments may be mailed to a pensioner in care of a Social Security Representative Payee or the holder of a power of attorney, and such person will be allowed to sign on the pensioner's behalf for certain Plan purposes. Documentation of the status as guardian, conservator, Social Security Representative Payee or holder of power of attorney must be sent to, and found acceptable by, the Benefit Plans

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Office before a signature other than the pensioner's can be accepted. These are the only circumstances under which anyone other than the pensioner will be allowed to sign on the pensioner's behalf for any Pension or Welfare Plan purpose.

\* **Pensioners/Survivors:**

If your ILWU-PMA pension check is being **mailed** to your home/post office box or to your bank/financial institution, consider signing up for Electronic Fund Transfer (EFT). EFT is a more efficient way of depositing your benefit payments – your payment is transmitted electronically and does not go through the postal service. With EFT, you always know what day your funds will be deposited in your account. Information about EFT and sign-up forms are available from the Benefit Plans Office (415-673-8500) or at the ILWU Locals, or may be downloaded at [www.benefitplans.org](http://www.benefitplans.org).

**NOTICE OF PRIVACY PRACTICES -- Effective Date: June 1, 2017**

THIS NOTICE DESCRIBES HOW HEALTH INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

**WHO WILL FOLLOW THIS NOTICE**

This Notice of Privacy Practices describes the practices of the ILWU-PMA Welfare Plan (the "Plan").

**If you have any questions about this Notice, or wish to contact the Plan to exercise any of your rights described below, please contact:**

**Antonio Holden, Operations Manager/Privacy Officer**

**ILWU-PMA Benefit Plans -- 1188 Franklin Street, Suite 101, San Francisco, CA 94109 / Telephone: (415) 673-8500**

**OUR COMMITMENT TO YOUR PRIVACY**

We understand that health information about you and your health is personal and we are committed to protecting that information. We create a record of your benefits, eligibility status and claims history, which may include enrollment/application forms, provider billings, claim forms, EOBs, appeals data and correspondence. We need this record to provide you with quality health care benefits and to comply with certain legal requirements. Hospitals, physicians and other health care providers providing health care services to you may have different policies or notices regarding their uses and disclosures of your health information.

This Notice will tell you about the ways in which we may use and disclose health information about you. This Notice will also describe your rights and certain obligations we have regarding the use and disclosure of health information.

We are required by law to:

- make sure that health information that identifies you is kept private;
- promptly notify you if a breach occurs that may have compromised the privacy or security of your information;
- give you this Notice of our legal duties and privacy practices with respect to health information about you; and
- follow the terms of the Notice that is currently in effect.

**HOW WE MAY USE AND DISCLOSE HEALTH INFORMATION ABOUT YOU**

The Plan will not disclose your health information to anyone, except with your authorization or as otherwise permitted or required by law. For some activities, we must have your written authorization to use or disclose your health information. However, the law permits us to use or disclose your health information for the following purposes without your authorization:

*Payment*

We may use and disclose your health information in order to pay for your health benefits under our health benefits programs. These activities may include making a determination of eligibility or coverage for benefits, reviewing services provided to you to determine medical necessity, and adjudication and subrogation of health benefit claims and collections. For example, we may use and disclose your health information to pay your claims.

*Health Care Operations*

We may use or disclose health information about you for our administrative operations. These uses and disclosures are necessary to make sure that our participants receive quality benefits and good service. We are not allowed to use genetic information to decide whether we will give you coverage. We may also share your health information with our "business associates." These are entities that perform administrative services for the Plan. We have a written contract with each of our business associates that contains terms requiring them to protect the confidentiality of your health information. Here are some examples of the ways that we use your health information for our health care operations:

- creation, renewal, replacement or maintenance of contracts providing benefits;
- claims adjudication;
- disclosures to medical consultants to determine the medical necessity of treatment recommended by your physician;
- eligibility determinations;
- detection and investigation of fraud and other unlawful conduct;
- recovery of overpayments; and
- claims review procedures.

*As Required By Law*

We will disclose health information about you when required to do so by federal, state or local law. We must also share your health information with the Secretary of the Department of Health and Human Services to investigate or determine our compliance with federal privacy laws.

*To Avert a Serious Threat to Health or Safety*

We may use and disclose health information about you when necessary to prevent a serious threat to your health and safety or to the health and safety of the public or another person. Any disclosure, however, would only be to someone able to help prevent the threat.

*Special Situations*

We also may use or disclose your protected health information in the following special situations without your authorization. These situations include:

- *Health Oversight*

We may disclose protected health information to a health oversight agency for activities authorized by law, such as audits, investigations and inspections. Health oversight agencies include government agencies that oversee health plan administration, state insurance regulatory authorities and certain other government regulatory programs.

- *Public Health Risks*

We may disclose health information about you for public health activities. These activities may include (1) the prevention or control of disease, injury or disability and (2) notifying people of recalls of products they may be using.

- *Lawsuits and Disputes*

If you are involved in a lawsuit or a dispute, we may disclose health information about you in response to a court or administrative order. We may also disclose health information about you in response to a subpoena, discovery request or other lawful process by someone else

involved in the dispute, but only if efforts have been made to tell you about the request (which may include written notice to you) or to obtain an order protecting the information requested.

- **Law Enforcement**

We may release health information if asked to do so by a law enforcement official: (1) in response to a court order, subpoena, warrant, summons or similar process; (2) to identify or locate a suspect, fugitive, material witness or missing person; (3) about the victim of a crime if, under certain limited circumstances, we are unable to obtain the person's agreement; (4) about a death we believe may be the result of criminal conduct; or (5) in emergency circumstances to report a crime, the location of the crime or victims, or the identity, description or location of the person who committed the crime.

- **For Specific Government Functions**

We may disclose your health information for the following specific government functions: (1) health information of military personnel, as required by military authorities; (2) health information of inmates, to a correctional institution or law enforcement official; and (3) for national security reasons.

- **Workers' Compensation**

We may disclose your protected health information as authorized to comply with workers' compensation laws and other similar legally established programs.

## **YOUR RIGHTS**

The following is a statement of your rights with respect to your health information and a brief description of how you may exercise these rights.

*You have the right to inspect and copy your health information.*

You may inspect and obtain a copy of health information about you for as long as we maintain the health information. We may charge you a fee for the costs of copying, mailing or other supplies that are necessary to grant your request. You have the right to choose to obtain a summary instead of a copy of your health information.

Under federal law, however, you may not inspect or copy psychotherapy notes or information compiled in reasonable anticipation of, or for use in a civil, criminal or administrative action or proceeding. In some circumstances, you may have the right to have our decision to deny you access to your health information reviewed. Please contact the Plan if you have any questions about access to your health information.

*You have the right to request a restriction on the use and disclosure of your health information.*

You have the right to request restrictions on certain uses and disclosures of your health information. We are not required to agree to a restriction that you request. If we do agree to a requested restriction, we will put the agreement in writing and follow it, except in emergency situations. We cannot agree to limit uses or disclosures of information that are required by law. You may request a restriction by writing to or telephoning the Plan. You may restrict disclosures for services for which you pay out of pocket.

*You have the right to request to receive confidential communications from us by alternative means or at an alternative location.*

You may request that any and all confidential communications regarding your health information be sent by alternative means or to an alternative location. For example, you may request that we contact you only in writing or at a different residence or post office box. We will accommodate reasonable requests. We may, however, condition such accommodation on your agreeing to permanent communications at the alternative location or by the alternative means. We will not request an explanation from you as to the basis for the request. Please make any such requests in writing to the Plan.

*You may have the right to have your health information amended.*

You may request that we amend your health information that is incorrect or incomplete for as long as we maintain the information. In certain cases, we may deny your request for amendment. If we deny your request for amendment, you have the right to file a statement of disagreement with us and we may prepare a rebuttal to your statement and provide you with a copy of such rebuttal. Any statement of disagreement will become a permanent part of our records. To request an amendment, you must send a written request, along with the reason for the request, to the Plan.

*You have the right to receive an accounting of certain disclosures of your health information.*

You have a right to receive an accounting of disclosures of your health information we have made after April 14, 2003 for purposes other than disclosures (1) for payment or health care operations, (2) to you or based upon your authorization and (3) for certain government functions. To request an accounting, you must submit a written request to the Plan. You must specify the time period, which may not be longer than six years.

*You have the right to a copy of this Notice.*

You have the right to obtain a copy of this Notice from us upon request, even if you have agreed to accept this Notice electronically. To obtain a copy of this Notice, please contact the Plan.

## **CHANGES TO THIS NOTICE**

We reserve the right to change this Notice. We reserve the right to make the revised Notice effective for the health information we already have about you as well as any information we receive in the future. The Notice will contain on the first page, in the top right-hand corner, the effective date.

## **COMPLAINTS**

You may contact us or the Secretary of the United States Department of Health and Human Services if you believe your privacy rights have been violated. To file a complaint with the Plan, contact the Plan. All complaints must be submitted in writing. No retaliatory actions will be taken against you for filing a complaint.

## **OTHER USES OF HEALTH INFORMATION**

Uses and disclosures of psychotherapy notes, uses and disclosures of protected health information for marketing purposes and disclosures that constitute a sale of protected health information can be made only with your authorization. Other uses and disclosures of health information not covered by this Notice or the laws that apply to us will be made only with your authorization. If you provide us with permission to use or disclose health information about you by signing a written authorization, you may revoke that permission, in writing, at any time. If you revoke your permission, we will no longer use or disclose health information about you for the reasons covered by your written authorization. You understand that we are unable to take back any disclosures we have already made with your permission.