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## WISCONSIN PIPE TRADES HEALTH FUND

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### Important Notice of Prescription Drug Creditable Coverage From Wisconsin Pipe Trades Health Fund

October 2018

To All Active Employees and Non-Medicare Retirees and Dependents:

Please read this Notice carefully and keep it where you can find it. This Notice has information about your current prescription drug coverage with the Wisconsin Pipe Trades Health Fund (Fund) and prescription drug coverage available for people with Medicare. It is being sent to all participants **even though it applies only to those eligible for Medicare or who may become eligible for Medicare in the next 12 months**. This Notice also explains the options you have under Medicare prescription drug coverage (Medicare Part D) and can help you decide whether or not you want to enroll. At the end of this Notice is information about where you can get help to make decisions about your prescription drug coverage. When a participant or spouse becomes eligible for Class C (Medicare retiree) benefits, the Fund's prescription coverage terminates. Also, note that Medicare-eligible spouses of active employees are not eligible for prescription drug coverage under the Fund.

- 1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage plans that offer prescription drug coverage. All Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans offered by independent insurance companies might offer more coverage for a higher monthly premium.**
- 2. Trustees of the Wisconsin Pipe Trades Health Fund, working closely with Fund advisors, have determined that the prescription drug coverage offered by the Fund is creditable coverage which means that it is, on average for all Plan participants, expected to pay out more than the standard Medicare prescription drug coverage will pay.**

(over)

**Because your existing coverage is on average better than standard Medicare prescription drug coverage, it is possible for you to keep our coverage and not pay a late enrollment surcharge if you later decide to enroll in Medicare prescription drug coverage.**

Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from October 15<sup>th</sup> to December 7<sup>th</sup>. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will be eligible for a two-month Special Enrollment Period (SEP) to join a Medicare prescription drug plan. In addition, if you lose or decide to leave employer/union-sponsored coverage, you will be eligible to join a Medicare prescription drug plan at that time using an Employer Group Special Enrollment Period.

**If you decide not to enroll in a Medicare prescription drug plan and to keep your coverage under the Wisconsin Pipe Trades Health Fund, you will continue to receive the same prescription drug benefits as you have in the past. Exception: Once you become eligible for Class C retiree benefits, your prescription coverage under the Fund terminates.**

You can continue to receive the same Fund benefits if you choose not to enroll in a Medicare prescription drug plan and to keep your coverage in the Wisconsin Pipe Trades Health Fund until you become eligible for Class C retiree benefits at which time your prescription coverage terminates (see bolded language in the third paragraph below). As you have experienced in the past, your copayments per prescription are subject to change as are your monthly self-payments.

**If you decide to enroll in a Medicare prescription drug plan and still keep your coverage under the Wisconsin Pipe Trades Health Fund, the Health Fund will not provide you with prescription drug benefits.**

You will continue to be eligible for all Fund benefits that you are currently eligible for other than your prescription drug benefits. However, your self-payment will not be reduced.

You also should know that if you drop or lose your coverage with Wisconsin Pipe Trades Health Fund and don't enroll in Medicare prescription drug coverage after your current Plan coverage ends, you may pay more to enroll in Medicare prescription drug coverage later. **Also, if you become a Medicare-eligible retiree covered under Class C, prescription drug coverage under our Fund terminates. If you are eligible under the Fund at that time, you will be eligible for a two-month Special Enrollment Period (SEP) to join a Medicare prescription drug plan. If you go 63 days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium may go up at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage.** For example, if you go 19 months without coverage before enrolling in a Medicare prescription drug plan, your premium always may be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to enroll.

**If you have limited income and resources, you may be eligible for special assistance from the government...**

Retirees with limited income may be eligible for help from the government in paying for the Medicare prescription drug coverage. Information about this extra help is available from the Social Security Administration (SSA) online at: [www.socialsecurity.gov](http://www.socialsecurity.gov) or call them at 1-800-772-1213 (TTY 1-800-325-0778). If you are eligible for special assistance, you should review your options carefully because it may be beneficial for you to enroll in a Medicare prescription drug plan.

**For more information about this Notice  
or your current prescription drug coverage...**

Contact the Fund Office at (414) 359-7400 locally or 1-800-253-5713 toll-free for further information. NOTE: You will receive this Notice annually and at other times in the future such as before future periods during which you can enroll in Medicare prescription drug coverage, and if our Plan's coverage changes. You also may request a copy of this Notice at any time.

**For more information about your options under  
Medicare prescription drug coverage...**

More detailed information about Medicare plans that offer prescription drug coverage is available in the "Medicare & You" Handbook. You should get a copy of the Handbook in the mail every year from Medicare or you can download an electronic version of the Handbook by visiting: [www.medicare.gov/gopaperless](http://www.medicare.gov/gopaperless). You also may be contacted directly by insurance companies offering Medicare prescription drug plans. In addition, you can get more information about Medicare prescription drug plans from these places:

- Visit [www.medicare.gov](http://www.medicare.gov).
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & You Handbook for their telephone number) for personalized help.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

**Remember: Keep this Notice of Prescription Drug Creditable Coverage. If you enroll in one of the Medicare prescription drug plans, you may need to give a copy of this Notice when you join to show that you are not required to pay a higher premium amount. An updated Notice will be provided to you annually. However, upon receipt of the updated Notice, DO NOT THROW AWAY THIS NOTICE! You may need it in a future year to prove you had creditable coverage in this time period.**

If you have any questions, please call the Fund Office at (414) 359-7400 locally or 1-800-253-5713 toll-free.

Yours truly,

THE BOARD OF TRUSTEES

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