

Cement Masons and Plasterers Health and Welfare Trust

2815 Second Avenue, Suite 300 • P.O. Box 34203 • Seattle, Washington 98124
Phone (800) 732-1121 or (206) 441-7574 • Fax (206) 505-9727

Administered by
Welfare & Pension Administration Service, Inc.

October 7, 2016

**TO: All Retired Participants with Medical Coverage
Cement Masons and Plasterers Health and Welfare Trust**

**RE: Prescription Drug Coverage and Medicare Creditable Coverage Notice
Applies to Medicare Eligibles Only**

Important Notice from Cement Masons and Plasterers Health and Welfare Trust About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice only applies to you if you are eligible for Medicare and you participate in the Trust's self-funded prescription drug coverage. This notice does not apply to you if you are enrolled in the AARP MedicareRx Preferred (PDP), which is a fully insured Medicare Prescription Drug Plan offered by UnitedHealthcare.

This notice has information about your current prescription drug coverage with Cement Masons and Plasterers Health and Welfare Trust (the "Trust") and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The Board of Trustees has determined that the prescription drug coverage offered by the Cement Masons and Plasterers Health and Welfare Trust is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you do decide to join a Medicare drug plan, it is important to note that you and your dependents will not be eligible for the retail or mail order prescription drug plan under the Cement Masons and Plasterers Health and Welfare Trust.

In addition, if you do decide to join a Medicare drug plan and drop your Cement Masons and Plasterers prescription drug coverage, be aware that you and your dependents will not be allowed to get this coverage back. Please contact us for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your coverage with Cement Masons and Plasterers Health and Welfare Trust and do not join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug coverage plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium will go up at least 1% of the base beneficiary premium per month for every month that you did not have that coverage. For example, if you go 19 months without coverage, your premium may consistently be at least 19% higher than the base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage:

Contact the Administration Office for further information. NOTE: You will get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Cement Masons and Plasterers Health and Welfare Trust 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 in the “Medicare & You” handbook. You will get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit 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.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

If I Want To Join Medicare Part D, What Do I Do?

You will likely receive solicitation material directly from many vendors who have contracted with the Centers of Medicare and Medicaid (CMS) to provide Medicare Part D prescription drug benefits. The cost varies by vendor, and while the legislation requires that certain basic benefits must be provided, each vendor will have product differences, including price, the drugs available on their “formulary”, co-payments and deductibles. Coverage and price may also vary by the geographic region you live in.

You must sign up for Medicare Part D directly with one of the vendors providing this coverage and pay that vendor directly. Part D coverage is **not** available through the Cement Masons and Plasterers Health and Welfare Trust. Financial assistance may be available for certain individuals with limited annual income and resources. Remember, once your Medicare Part D benefits commence, no further benefits will be paid for outpatient prescription drugs by the Cement Masons and Plasterers Health and Welfare Trust.

If you enroll in a Medicare Part D Prescription Drug Plan and terminate your Trust provided prescription drug benefits, you must complete a new enrollment form and provide the Trust Administrator, Welfare & Pension Administration Service, Inc. with a copy of your new Medicare Part D prescription drug card.

It is important to remember that once you terminate your prescription drug benefits provided by the Cement Masons and Plasterers Health and Welfare Trust, you will not be allowed to re-enroll in the Trust provided prescription drug plan.

New Medicare Part D Coverage for Medicare Beneficiaries

Effective September 1, 2016, the Trust made changes to the Plan’s prescription drug coverage for Medicare beneficiaries with a Medicare Part D drug program, the AARP MedicareRx Preferred (PDP), which is fully insured by UnitedHealthcare. A self-insured supplemental wrap around program through Sav-Rx is being provided to limit any negative impact this change will have on the Medicare beneficiaries.

While Medicare beneficiaries are not required to enroll in the AARP MedicareRx Preferred and the companion Sav-Rx supplemental program, those Medicare beneficiaries who decide not to enroll in the new programs will be charged an additional \$70 per Medicare family member, per month.

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and whether or not you are required to pay a higher premium (a penalty).

Date: October 7, 2016
Sender: Cement Masons and Plasterers Health and Welfare Trust
Contact Office: Administration Office
Address: P.O. Box 34203 Seattle, WA 98124
Phone Number: (800) 732-1121 or (206) 441-7574

Hmh: opeiu #8
S:\Mailings\NOCC\2016\F16\F16-02 - NOCC - 2016 - Retiree - 09.16.docx

Cement Masons and Plasterers Health and Welfare Trust

Prescription Drug Declination of Coverage Form

Complete this form ONLY if you wish to discontinue your enrollment in the Cement Masons and Plasterers Health and Welfare Trust Prescription Drug benefits. You will remain covered for all other current benefits through the Trust, except for prescription drug. Once we receive a copy of your Medicare Part D prescription drug card and your application is processed, your prescription drugs provided through the Trust Fund will end and you will not be allowed to re-enroll.

Please Print

Member Name (Last, First, Middle Initial)	Social Security Number	Sex	Birth date
---	-------------------------------	------------	-------------------

Covered Spouse Name (Last, First, Middle Initial)	Social Security Number	Sex	Birth date
---	-------------------------------	------------	-------------------

Mailing Address (Street or PO Box, City, State, Zip Code)
--

You must submit a copy of new Medicare Part D prescription drug card (and your spouse's card, if applicable), to discontinue your Trust Fund prescription drug plan. We will not process your application to discontinue the Trust Fund coverage until we receive a copy of your new Medicare Part D prescription drug card. Once the card copy is received, your Trust Fund prescription drug coverage will terminate on the first of the month following receipt of your new Medicare Part D prescription drug card and your contribution rate will then be reduced accordingly.

I understand that by signing this application, I (and my spouse, if applicable) will no longer be eligible for prescription drug benefits provided by the Cement Masons and Plasterers Health and Welfare Trust. Once my application has been processed by the Trust Fund, my benefits for prescription drugs provided by the Trust Fund will terminate and cannot be reinstated. To discontinue coverage, the member's signature is required.

Member Signature Date

Spouse Signature Date