

Plumbers & Pipefitters Medical Fund
7130 Columbia Gateway Drive • Suite A • Columbia, MD 21046 • 1-800-741-9249

NOTICE OF CREDITABLE COVERAGE

**Important Notice from the Plumbers & Pipefitters Local No. 5 Medical Fund
about
Your Prescription Drug Coverage and Medicare**

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 Plumbers & Pipefitters Local No. 5 Medical Fund and administered by Caremark 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 a PPO) that offers prescription drug coverage. All Medicare prescription drug plans provide at least a standard level of coverage as set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. We're pleased to let you know that the coverage you have now – provided by the Plumbers & Pipefitters Local No. 5 Medical Fund and administered by Caremark to actives and retirees – is, on average, expected to pay out as much as standard Medicare prescription drug coverage. This is 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 enroll in Medicare prescription drug coverage.

Below you will find some answers to questions you may have regarding creditable coverage and how it relates to Medicare Part D plans and Medicare beneficiaries. If you are not eligible for Medicare, the information below is not applicable.

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 through 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, which is explained in more detail below.

What Do You Need To Do?

To stay with your current prescription drug coverage from the Plumbers & Pipefitters Local No. 5 Medical Fund, *you don't have to do anything*. Just keep using the coverage you have now. You can still use the same pharmacy network, you'll keep the same affordable co-payments for your prescription drugs and you don't need to go through an enrollment process. You're already enrolled in your current plan, which provides you with coverage that is, on average, at least as good as that offered under Medicare Part D. If you do not want to continue to receive coverage from the Plumbers & Pipefitters Local No. 5 Medical Fund, you will have to select a commercial Prescription Drug Plan (PDP). A summary of the commercial PDPs available to you, as well as how to enroll in one of these other plans, can be found on the internet at www.medicare.gov.

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

If you are a Medicare-eligible retiree and enroll in a Medicare Part D plan, your prescription drug coverage through the Plumbers & Pipefitters Local No. 5 Medical Fund will terminate as of the effective date of your enrollment in Medicare Part D. If you enroll, your Dependent(s) will also be excluded from continued participation in the Fund's prescription drug benefit programs. Therefore, if you wish to continue to obtain prescription drug benefits for your eligible Dependent(s) under the Fund, you should not enroll in a Medicare Part D program. Please note that, even if you do not enroll, if your Medicare-eligible Dependent(s) enrolls, the Dependent(s) will be terminated from the Fund's prescription drug coverage benefit program. If you are an Active Medicare-eligible participant, or if you suffer from End Stage Renal Disease, your prescription drug coverage under the Fund will not terminate if you enroll in a Medicare Part D program. Participants who are excluded from participation in the Fund's prescription drug benefit program will, however, still be entitled (along with their eligible Dependent(s)), to participate in the medical and other benefits (as applicable) offered by the Plan, regardless of their participation in any Medicare Part D program. *It is thus important that you compare your prescription benefit coverage under the Plumbers & Pipefitters Local No. 5 Medical Fund Plan, including which drugs are covered, with the coverage and costs of Medicare Part D plans in your area in deciding whether to enroll in Medicare Part D.*

If you decide to join a Medicare Part D plan and drop your current coverage, the Plumbers & Pipefitters Local No. 5 Medical Fund will permit you a *one-time* opportunity to re-enroll in the Plan so long as such re-enrollment is made in writing to the Fund Office no later than 180 days of the date you enrolled in the Medicare Part D program. This same rule applies to your Dependent(s) who are terminated from the Fund's prescription drug benefits because they enroll in a Medicare Part D program.

What If You Drop Your Coverage With The Plumbers & Pipefitters Local No. 5 Medical Fund But Do Not Enroll In A Medicare Part D Plan?

You should also know that if you drop or lose your current coverage with the Plumbers and Pipefitters Local No. 5 Medical Fund, and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty), or full price to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, *your monthly premium may go up by 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 nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare 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.*

If You Keep Your Current Coverage With The Plumbers & Pipefitters Local No. 5 Medical Fund, Can You Enroll In A Medicare Part D Plan Later?

Yes. You have the option to enroll in one of Medicare Part D's many prescription drug plans anytime after you first become eligible for Medicare and each year from October 15th through December 7th. Additionally, if the coverage offered under the Plumbers & Pipefitters Local No. 5 Medical Fund ever becomes non-creditable coverage, you may also be eligible for a Special Enrollment Period to sign up for a Medicare Part D plan. If this happens, you will be notified of the loss of creditable coverage and you will have two months in which to elect to be covered under a Medicare Part D plan without penalty. If you choose to continue your coverage under the Plumbers & Pipefitters Local No. 5 Medical Fund and later enroll in a Medicare Part D plan during the annual October 15th –December 7th election period, that coverage will be available to you on January 1 of the following year. For example, if you enroll in a Medicare Part D plan on December 1, 2011, your Medicare Part D plan coverage will be effective on January 1, 2012. *(Please remember that if you enroll in a Medicare Part D prescription drug plan, your coverage (and that of your Dependent(s)) in the Plumbers & Pipefitters Local No. 5 Medical Fund's drug benefit program will terminate as of the date of your enrollment).* If you choose to enroll in a Medicare Part D plan without having creditable coverage with another plan like this one, you may have to pay an increased premium.

Why Do You Need To Keep Your Notice of Creditable Coverage?

If you are satisfied with your prescription drug coverage from the Plumbers & Pipefitters Local No. 5 Medical Fund, just keep using it as you do now. However, if you consider enrolling in one of the many Medicare Part D prescription drug plans, you may be asked for a copy of this Notice. This Notice will let a Medicare Part D plan know that you have creditable coverage now, and are not required to pay a late enrollment penalty, which could result in a higher premium on your new coverage. Remember, the coverage you have now through the Plumbers & Pipefitters Local No. 5 Medical Fund is creditable coverage. That is, your current coverage is, on average, at least as good as that offered by Medicare Part D.

What If You Lose This Notice Of Creditable Coverage?

If you need further information or need another copy of your Notice of Creditable Coverage, please call us at 1-800-741-9249. You may also write us at:

Plumbers and Pipefitters Medical Fund, Benefits Office
7130 Columbia Gateway Drive
Suite A
Columbia, MD 21046

Note: You'll 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 the Plumbers & Pipefitters Local No. 5 Medical Fund changes. You may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...:

You will receive a copy of the handbook "Medicare & You" from Medicare. This book contains more detailed information about Medicare plans that offer prescription drug coverage and will be sent to you in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

If you would like more information, you can find it by:

- Visiting <http://www.medicare.gov>
- Calling your State Health Insurance Assistance Program (see your copy of the "Medicare & You" handbook for their telephone number).
- Calling 1-800-MEDICARE (1-8090-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. For more information about this extra help, visit the Social Security Administration web site at www.socialsecurity.gov, or call them at 1-800-772-1213. TTY users should call 1-800-325-0778.

Be sure to keep this Creditable Coverage Notice. You may be asked for a copy of this Notice if you enroll in one of the Medicare drug plans. This Notice will let your new plan know that you are not required to pay a higher premium.

Sincerely,

Board of Trustees, Plumbers & Pipefitters Local No. 5 Medical Fund

October 15, 2025

Plumbers & Pipefitters Local No. 5 Medical Fund, Benefits Office
7130 Columbia Gateway Drive, Suite A
Columbia, MD 21046
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