



# PLUMBERS LOCAL 98 FRINGE BENEFIT FUNDS

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## **Important Notice from the Plumbers Local 98 Insurance 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 Local 98 Insurance Fund (98 Fund) 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. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.**

- 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 prescription 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 98 Fund has determined that the prescription drug coverage offered by the 98 Fund is, on average for all participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay.**

**Because your existing coverage is, on average, at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.**

You can join a Medicare drug plan when you first become eligible for Medicare and each year from November 15<sup>th</sup> through December 31<sup>st</sup>. This may mean that you may have to wait to join a Medicare drug plan and that you may pay a higher premium (a penalty) if you join later. You may pay that higher premium (a penalty) as long as you have Medicare prescription drug coverage. However, if you lose creditable prescription drug coverage, through no fault of your own, you will be eligible for a 60 day Special Enrollment Period (SEP) because you lost creditable coverage to join a Part D plan. In addition, if you lose or decide to leave employer/union sponsored coverage, you will be eligible to join a Part D plan at that time using an Employer Group Special Enrollment Period. You should compare your current prescription coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

**If you DO decide to join a Medicare drug plan, you will no longer be eligible for prescription drug coverage under the 98 Fund, but will remain eligible for other health expenses. If you DO NOT join a Medicare drug plan, you will remain covered under the 98 Fund for health expenses and prescription drugs.**

**Current Prescription Benefits under the Plumbers Local 98 Insurance Fund, subject to exclusions and limitations set forth in the Plan document are provided subject to the following co-payments:**

**Retail:** For a 34 day supply, 25% cost of the drug subject to minimum payment of \$10 per prescription (unless cost of the drug is under \$10, in which case the minimum is cost of drug) and maximum of \$50 per prescription.

**Mail Order:** For a 90 day supply, 25% cost of the drug subject to minimum payment of \$25 per prescription (unless cost of the drug is under \$25, in which case the minimum is cost of drug) and maximum of \$125 per prescription.

**Annual Out of Pocket Maximum:** Once a Participant or Dependent entitled to prescription drug coverage has incurred \$3,000 in co-payments (retail and mail order combined) per calendar year, the following co-payments shall apply in lieu of those set forth above: Retail, \$10 generic/\$30 brand name; Mail Order, \$25 generic/\$75 brand name.

**If you do decide to join a Medicare drug plan and drop your 98 Fund prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back.**

You should also know that if you drop or lose your coverage with the 98 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) to join a Medicare drug plan later.

If you go 63 continuous days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium will go up at least 1% of the base beneficiary premium per month for every month that you do not have that coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than the base beneficiary premium. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until next November to join.

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

Contact the Fund Office at (248) 641-4988 or (866) 646-8919. 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 coverage through the 98 Fund changes. You also may request a copy.

**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'll 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](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see the inside back cover of 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](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**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).**

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