

**OCTOBER 2005**

***Important Notice from O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund  
About Your Prescription Drug Coverage and Medicare***

You may have heard about Medicare's new prescription drug coverage, also known as Medicare Part D, and wondered what this new coverage might mean to you. Starting January 1, 2006, new Part D plans will be available to every person who is eligible for Medicare. All such plans will provide at least a standard level of coverage set by Medicare. For 2006, that standard is 75% of approved drug costs between a \$250 deductible and \$2,250, plus at least 95% of costs once your out-of-pocket expenses under the Part D plan (excluding expenses for any other supplemental drug coverage) reach \$3,600. While the standard coverage is expected to cost about \$32 per month, some plans might offer more coverage for a higher monthly premium. ***Note that this new Medicare Part D prescription drug program is NOT a benefit provided through the O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund.*** It is provided through Medicare and will be marketed by various Medicare-approved "Prescription Drug Providers" (PDPs) starting in October of 2005.

This notice is to inform you that your current prescription drug benefit program through the O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund provides "creditable coverage," as defined below. It also includes answers to questions you may have regarding your current prescription drug program and how it relates to Medicare Part D coverage.

***2006 CERTIFICATE OF CREDITABLE PRESCRIPTION DRUG COVERAGE***

The O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund hereby certifies that the prescription drug coverage it provides to Medicare-eligibles is expected to pay out, on average for all such participants, at least as much as the standard Part D coverage would pay in calendar year 2006. It is therefore designated as providing 2006 "creditable coverage," meaning that any participant who later enrolls in a Part D plan will not be charged a late enrollment penalty for 2006.

***This is your notice of creditable coverage.*** Be sure to read it carefully and keep it in a safe place where you can find it. If you lose this notice and need another copy, please call the O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund's Administrator at (562) 463-5065 or (800) 386-4350 or request a copy in writing from Benefit Programs Administration, 13191 Crossroads Parkway North, Suite 205, City of Industry, California 91746-3434. Updated versions of this notice will be sent annually and you will be informed if the O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund ever loses its creditable coverage status.

**FREQUENTLY ASKED QUESTIONS**

**(1) *Do I need to do anything now?***

No, you can keep using your current prescription drug program the same as you always have. Your copayments will not change, nor will any pharmacy network.

If you are eligible for Medicare between November 15, 2005 and May 15, 2006 you will have the option to independently enroll in a Medicare Part D prescription drug plan for coverage during the 2006 calendar year. However, by enrolling in a Part D plan you will not be reimbursed for your Part D premiums by the Fund. As mentioned above, the standard Part D benefit is not as good as the O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund's own prescription drug program (as described in your O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund plan booklet).

You may wish to compare your current prescription drug program, including which drugs are covered, with the benefits and costs of the Medicare Part D plans available in your area. Note that a Part D plan may not include your regular prescription drugs on its formulary. O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund cannot provide you with a comparison of available Part D plans, but we urge you to carefully review any descriptions you may obtain.

**(2) *So why do I need to keep my notice of creditable coverage?***

In case you ever drop or lose your O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund coverage, or in the unlikely event that O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund coverage becomes non-creditable, having this notice will allow you to immediately enroll in a Part D plan without having to pay a late enrollment penalty. Specifically, if you try to enroll after May 15, 2006 (the end of the initial Part D enrollment period), you will be charged a permanent Part D premium surcharge of 1% for every month since your initial Medicare eligibility (or May 15, 2006, if later) for which you cannot show that you had creditable coverage (if such non-creditable period exceeds 62 days). Also note that you may have to wait for the next regular annual Part D enrollment period, which will be November 15<sup>th</sup> through December 31<sup>st</sup> for coverage in the following calendar year.

**(3) *How can I get more information on Medicare Part D?***

More detail will be in the handbook “Medicare & You 2006” that will be mailed to you by Medicare in October 2005. In that month you may also be contacted directly by Medicare-approved Part D providers. At any time you can visit <http://www.medicare.gov/> or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Every state has a Health Insurance Assistance Program to help Medicare beneficiaries and their families with their health insurance choices and with problems that might arise. In California it is called either the “Health Insurance Counseling and Advocacy Program” (HICAP) or “Department of Aging” and can be reached at 1-916-419-7500. To see the Part D information collected by the California program, visit <http://www.aging.ca.gov/> and click the button for “Medicare Rx”. Contact information for similar programs in other states will be listed in your “Medicare & You 2006” handbook.

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 website at <http://www.socialsecurity.gov/> or call them at 1-800-772-1213. TTY users should call 1-800-325-0778.

***Be sure to keep this notice. If you enroll in one of the new plans approved by Medicare which offer prescription drug coverage after May 15, 2006, 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.***

***Date:*** October, 2005  
***Plan Sponsor:*** O.P.E.I.U. Locals 30 & 537 Health & Welfare Fund  
***Administrator:*** Benefit Programs Administration  
***Address:*** 13191 Crossroads Parkway North, Suite 205  
City of Industry, California 91746-3434  
***Telephone:*** (562) 463-5065 or (800) 386-4350