



P F M P

Plumbers Fitters Medical Plan

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Important Notice from PAMCAH UA Local 675 Health and Welfare Trust Fund About Prescription Drug Coverage for People with Medicare

**This notice is for people with 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 PAMCAH UA Local 675 Health and Welfare Trust Fund and the prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare's prescription drug coverage and can help you decide whether or not you want to enroll in that Medicare prescription drug coverage. At the end of this notice is information on where you can get help to make a decision about Medicare's prescription drug coverage.

- **If you and/or your family members are not now eligible for Medicare, and will not be eligible during the next 12 months, you may disregard this Notice.**
- **If, however, you and/or your family members are now eligible for Medicare or may become eligible for Medicare in the next 12 months, you should read this Notice very carefully.**

This announcement is required by law whether the group health plan's coverage is primary or secondary to Medicare. Because it is not possible for the Plan to always know when a Plan participant or their eligible spouse or children have Medicare coverage or will soon become eligible for Medicare we have decided to provide this Notice to all plan participants.

Prescription drug coverage for Medicare-eligible people is available through Medicare prescription drug plans and Medicare Advantage Plans that offer 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 drug coverage for a higher monthly premium.

PAMCAH UA Local 675 Health and Welfare Trust Fund has determined that the prescription drug coverage under the following prescription drug plan options (the self-funded OptumRx Prescription Drug Coverage and the HMSA Akamai Advantage Plan) are "creditable."

“Creditable” means that the value of this Plan’s prescription drug benefit is, on average for all plan participants, expected to pay out as much as or more than the standard Medicare prescription drug coverage will pay.

Because the plan options noted above are, on average, at least as good as the standard Medicare prescription drug coverage, **you can elect to keep prescription drug coverage under PAMCAH UA Local 675 Health and Welfare Trust Fund or the HMSA Akamai Advantage Plan and you will not pay extra if you later decide to enroll in Medicare prescription drug coverage.** You may enroll in Medicare prescription drug coverage at a later time, and because you maintain creditable coverage, you will not have to pay a higher premium (a late enrollment fee penalty).

REMEMBER TO KEEP THIS NOTICE

If you decide to opt out of the coverage through the Trust and 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, therefore, whether or not you are required to pay a higher premium (a penalty).

WHEN CAN YOU JOIN A MEDICARE DRUG PLAN?

Medicare-eligible people can enroll in a Medicare prescription drug plan at one of the following 3 times:

- when they first become eligible for Medicare; or
- during Medicare’s annual election period (from October 15th through December 7th); or
- for beneficiaries leaving employer/union coverage, you may be eligible for a Special Enrollment Period (SEP) in which to sign up for a Medicare prescription drug plan.

When you make your decision whether to enroll in a Medicare prescription drug plan, you should also compare your current prescription drug coverage, (including which drugs are covered and at what cost) with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

YOUR RIGHT TO RECEIVE A NOTICE

You will receive this notice at least every 12 months and at other times in the future such as before the next period you can join a Medicare drug plan, and if the creditable/non-creditable status of the prescription drug coverage through this plan changes. You may also request a copy of a Notice at any time. Contact the person listed below for further information or call (808) 536-4408.

WHY CREDITABLE COVERAGE IS IMPORTANT (When you will pay a higher premium (penalty) to join a Medicare drug plan)

If you do not have creditable prescription drug coverage when you are first eligible to enroll in a Medicare prescription drug plan and you elect or continue prescription drug coverage under a **non-creditable** prescription drug plan, then at a later date when you decide to elect Medicare prescription drug coverage you may pay a higher premium (a penalty) for that Medicare prescription drug coverage for as long as you have that Medicare coverage. (Note: The prescription drug coverage through the PAMCAH UA Local 675 Health and Welfare Trust Fund IS creditable.)

Maintaining creditable prescription drug coverage will help you avoid Medicare’s late enrollment penalty. This **late enrollment penalty** is described below:

If you go 63 continuous days or longer without creditable prescription drug coverage (meaning drug coverage that is at least as good as Medicare’s 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 either Medicare prescription drug coverage or coverage under a creditable prescription drug plan. You may have to pay this higher premium (the penalty) as long as you have Medicare prescription drug coverage.

For example, if 19 months pass where you do not have creditable prescription drug coverage, when you decide to join Medicare’s drug coverage your monthly premium will always be at least 19% higher than the Medicare base beneficiary premium. Additionally, if you go 63 days or longer without prescription drug coverage you may also have to wait until the next October to enroll for Medicare prescription drug coverage.

WHAT ARE MY CHOICES?

You can choose any **one** of the following options:

| Your Choices: | What you can do: | What this option means to you: |
|-----------------|--|---|
| Option 1 | Do nothing and keep your current medical and prescription drug coverage with PAMCAH UA Local 675 Health and Welfare Trust Fund or enroll in Trust coverage. You do not have to enroll in a Medicare prescription drug plan. | <p>You will continue to be able to use your prescription drug benefits through PAMCAH UA Local 675 Health and Welfare Trust Fund.</p> <ul style="list-style-type: none"> You may, in the future, enroll in a Medicare prescription drug plan during Medicare’s annual enrollment period (during October 15th through December 7th of each year). As long as you are enrolled in creditable drug coverage you will not have to pay a higher premium (a late enrollment fee) to Medicare when you do choose, at a later date, to sign up for a Medicare prescription drug plan. |
| Option 2 | You can drop your current medical and prescription drug coverage with through PAMCAH UA Local 675 Health and Welfare Trust Fund and instead enroll in a Medicare prescription drug plan. | <ul style="list-style-type: none"> If you drop coverage for yourself, you will lose coverage for your spouse and dependents, too. Note that you may not drop just the prescription drug coverage under through PAMCAH UA Local 675 Health and Welfare Trust Fund. That is because prescription drug coverage is part of the entire medical plan. If you drop coverage, you must have creditable prescription drug coverage within 63 continuous days to avoid paying a higher premium. If you do not enroll within 63 days, in addition to the higher premium, you may also have to wait until the next October to enroll. |

FOR MORE INFORMATION ABOUT YOUR OPTIONS UNDER MEDICARE’S PRESCRIPTION DRUG COVERAGE

More detailed information about Medicare plans that offer prescription drug coverage is available in the “Medicare & You” handbook. A person enrolled in Medicare (a “beneficiary”) will get a copy of this handbook in the mail each year from Medicare. A Medicare beneficiary may also be contacted directly by Medicare-approved prescription 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.

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

For more information about this notice or your current prescription drug coverage contact:

Contact: Administrator of PAMCAH UA Local 675 Health and Welfare Trust Fund
Address: 1109 Bethel Street, #403, Honolulu, HI 96813
Phone Number: (808) 536-4408

As in all cases, PAMCAH UA Local 675 Health and Welfare Trust Fund and HMSA reserve the right to modify benefits at any time, in accordance with applicable law. This document (dated 10/01/2022) is intended to serve as your Medicare Notice of Creditable Coverage, as required by law.

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