

Notice of Prescription Drug Creditable Coverage

Duluth Building Trades Health Fund

Important Information About Your Prescription Drug Benefits & Medicare Prescription Drug Coverage

This Notice has information about:

- Medicare Prescription Drug Coverage (Medicare Part D) that became available to everyone with Medicare.
- How the Duluth Building Trades Health Fund's existing prescription drug benefits are, on average for all active Fund participants and their eligible dependents, at least as good as standard Medicare Prescription Drug Coverage.
- What your choices are and what happens to your coverage under the Duluth Building Trades Health Fund if you elect Medicare Prescription Drug Coverage.
- Where to find more information to help you make decisions about your prescription drug coverage.

Please read this Notice carefully and keep it filed in a safe place for future reference. It explains the options you have under Medicare Prescription Drug Coverage and can help you decide whether or not to enroll.

The Duluth Building Trades Health Fund provides prescription drug coverage. You do **not** need to join a Medicare prescription drug plan since you have coverage available through the Duluth Building Trades Health Fund.

Medicare Prescription Drug Coverage

Prescription drug coverage is available to anyone entitled to Medicare Part A or enrolled in Medicare Part B. Most people must pay a monthly premium for Medicare Prescription Drug Coverage. For people with limited income and assets, extra help paying for Medicare Prescription Drug Coverage is available. Medicare Prescription Drug Coverage is insurance provided by private companies that have been approved by Medicare. If eligible, you can get Medicare Prescription Drug Coverage through:

- Medicare Advantage Plans (like an HMO or PPO); or
- Medicare Prescription Drug Plans.

All Medicare plans provide at least a standard level of coverage as set by Medicare. Some Medicare plans offer better coverage for a higher monthly premium.

If you are entitled to Medicare Part A or enrolled in Medicare Part B, you can enroll for Medicare Prescription Drug Coverage when you first become eligible for Medicare and each year from October 15th through December 7th. If you lose or drop prescription drug coverage under the Duluth Building Trades Health Fund, you may be eligible for a Special Enrollment Period to sign up for Medicare Prescription Drug Coverage. You can find out more detailed information about Special Enrollment Periods in the *Medicare & You* booklet sent to Medicare eligible individuals each fall.

Your Existing Coverage Is as Good as Standard Medicare Prescription Drug Coverage

The Duluth Building Trades Health Fund has determined that your existing Plan prescription drug benefits are, on average, “creditable coverage,” which means the Fund’s coverage is expected to pay as much in claims for all participants (or more in some cases) as standard Medicare Prescription Drug Coverage.

Because your current prescription drug benefits with the Duluth Building Trades Health Fund, on average, are as good as Medicare standard coverage, you can choose to stay covered under the Plan and join a Medicare plan later and not be subject to the higher premium penalty.

Keep this Notice. If you enroll for Medicare Prescription Drug Coverage, you may be required to provide a copy of this Notice when you enroll. This Notice verifies that you have creditable coverage and that you are not required to pay a higher premium.

Your Choices and the Consequences

You should compare your current coverage, including which medications are covered, with the coverage and cost of the Medicare plans in your area.

If you are eligible and **do not enroll** for Medicare Prescription Drug Coverage, you will continue to receive prescription drug benefits under the Duluth Building Trades Health Fund, as long as you are otherwise eligible to continue Plan coverage. Remember that the health benefit plan also covers medical benefits, in addition to prescription drug benefits. You will continue to be eligible to receive all current benefits.

If you are eligible and **enroll** for Medicare Prescription Drug Coverage, you will continue to receive prescription drug coverage under the Duluth Building Trades Health Fund, as long as you are otherwise eligible to continue Plan coverage. Remember that for most people, there is a monthly premium for Medicare Prescription Drug Coverage.

Note: If you are eligible for Medicare and you drop or lose your coverage with the Duluth Building Trades Health Fund and do not enroll for Medicare Prescription Drug Coverage after your current coverage ends, you may pay more to enroll in Medicare Prescription Drug Coverage later. If you go 63 days or longer without prescription drug coverage that is at least as good as Medicare Prescription Drug Coverage, your monthly premium for Medicare Prescription Drug Coverage will increase. The increase will be 1% per month for every month after you were eligible for but did not have coverage. For example, if you go 19 months without coverage, your monthly premium will always be 19% higher than what most other people pay. You will have to pay this higher premium penalty as long as you have Medicare Prescription Drug Coverage. In addition, you may have to wait until the next open enrollment period (October 15th through December 7th each year) to enroll.

For More Information About Medicare Prescription Drug Coverage

More detailed information about Medicare plans that offer Prescription Drug Coverage is available in the *Medicare & You* handbook that Medicare publishes each fall and sends to Medicare beneficiaries. You may also be contacted directly by Medicare Prescription Drug Plans. You can also get more information about Medicare Prescription Drug Plans from the following resources:

- Visit www.medicare.gov for personalized help.
- Call your State Health Insurance Assistance Program (the telephone number will be included in the *Medicare & You* handbook).

- 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 Medicare Prescription Drug Coverage is available. To get more information about this extra help:

- Visit www.medicare.gov and www.socialsecurity.gov/prescriptiondrughelp.
- Call 1-800-772-1213. TTY users should call 1-800-325-0778.

For More Information About This Notice or the Duluth Building Trades Health Fund Prescription Drug Benefits

If you have any questions about this Notice or would like more information about your prescription drug benefits under the Duluth Building Trades Health Fund, please call the Fund Office at 1-218-728-4231.

In the future, the Fund will periodically send you an updated copy of this Notice for your records. You also may request a copy of this Notice at any time by contacting the Fund Office.

Date: October 2018

Entity/Sender: Board of Trustees – Duluth Building Trades Health Fund

Contact: Wilson-McShane Corporation

Address: 2002 London Road, Suite 300, Duluth, MN 55812

Telephone Number: 1-218-728-4231

Benefits under the Duluth Building Trades Health Fund are not vested or guaranteed. They may be modified, reduced, or terminated at any time, as specified in the legal documents that establish the Plan.

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