



SHEET METAL WORKERS'

International Association • Local Union No. 73

4530 Roosevelt Road | Hillside, Illinois 60162 | 708.449.7373 | FAX 708.449.7333



Welfare and Pension Funds

November 6, 2009

Notice of Prescription Drug Creditable Coverage Sheet Metal Workers' Local 73 Welfare Fund

Important Information about Your Prescription Drug Benefits and Medicare Prescription Drug Coverage

This Notice has information about:

- Medicare Prescription Drug Coverage (Medicare Part D) that became available to everyone with Medicare starting January 1, 2006.
- How the Sheet Metal Workers' Local 73 Welfare Fund's existing prescription drug benefits are, on average for all Plan participants, at least as good as standard Medicare Prescription Drug Coverage.
- What your choices are and what happens to your coverage under the Sheet Metal Workers' Local 73 Welfare Fund Plan if you elect Medicare Prescription Drug Coverage.
- Where to find more information to help you make decisions about your prescription drug coverage.

The Sheet Metal Workers' Local 73 Welfare Fund provides prescription drug coverage for all eligible active and retired participants. If you are eligible for Medicare, you do **not** need to join a Medicare prescription drug plan since you have coverage available through the Fund.

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

Medicare Prescription Drug Coverage

Prescription Drug Coverage is available to anyone with Medicare. Most people must pay a monthly premium for Medicare Prescription Drug Coverage. For people with limited income and resources, 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 November 15th through December 31st. If you lose or drop prescription drug coverage under the Sheet Metal Workers' Local 73 Welfare Fund, you may be eligible for a two month 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.

Existing Coverage Is as Good as Standard Medicare Prescription Drug Coverage

The Sheet Metal Workers' Local 73 Welfare Fund has determined that active and retiree Plan prescription drug benefits are "creditable coverage," which means the Fund's coverage is, on average, expected to pay as much in claims for all eligible participants (or more in some cases) as standard Medicare Prescription Drug Coverage.

Because your prescription drug benefits with the Sheet Metal Workers' Local 73 Welfare Fund are as good, on average, as Medicare standard coverage, you can stay covered under the health benefit 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 will need a copy of this Notice when you enroll. This Notice verifies that you have creditable prescription drug coverage and that you are not required to pay the higher premium penalty.

Your Choices and the Consequences

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

Active Participants

If you are eligible and **do not enroll** for Medicare Prescription Drug Coverage, you will continue to receive prescription drug benefits under the Sheet Metal Workers' Local 73 Welfare 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 Sheet Metal Workers' Local 73 Welfare 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.

Retired Participants

If you **do not enroll** for Medicare Prescription Drug Coverage, you will continue to receive your current prescription drug benefits under the Sheet Metal Workers' Local 73 Welfare Fund, as long as you are otherwise eligible to continue Plan coverage. You will continue to be eligible to receive all current prescription drug benefits.

If you **enroll** for Medicare Prescription Drug Coverage, you will not be eligible to receive prescription drug coverage under the Sheet Metal Workers' Local 73 Welfare Fund. Remember that for most people there is a monthly premium for Medicare Prescription Drug Coverage. If you lose coverage in the Sheet Metal Workers' Local 73 Welfare Fund, so will your spouse and your dependents.

If you enroll for Medicare Prescription Drug Coverage and later drop this coverage, you can again receive prescription drug coverage under the Sheet Metal Workers' Local 73 Welfare Fund if you are still eligible. If you are eligible, you can re-enroll for coverage, but only one time during a calendar year.

Note: If you are entitled to Medicare and drop or lose your coverage with the Sheet Metal Workers' Local 73 Welfare Fund and do not enroll for Medicare Prescription Drug Coverage after your current coverage ends, you may pay more for 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 at least 1% per month for every month that you were eligible but did not have coverage. For example, if you go 19 months without coverage, your monthly premium will always be at least 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 (November 15 – December 31 each year) to enroll.

For More Information about Medicare Prescription Drug Coverage

If you are eligible for Medicare, you will receive a *Medicare & You* handbook in the mail from Medicare. More detailed information about Medicare Prescription Drug Coverage is included in this handbook. You will also receive information directly from Medicare plans.

To get more information, you can:

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

- Visit www.socialsecurity.gov.
- Call 1-800-772-1213 (TTY 1-800-325-0778).

For More Information about this Notice or Health Benefit Plan Prescription Drug Benefits

If you have any questions about this Notice or would like more information about your prescription drug benefits under the Sheet Metal Workers' Local 73 Welfare Fund, please call the Fund Office at 708-449-7373.

The Sheet Metal Workers' Local 73 Welfare 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: November 6, 2009

Plan: Sheet Metal Workers' Local 73 Welfare Fund

Contact: Fund Office

Address: 4530 Roosevelt Road, Hillside, Illinois 60162

Telephone Number: 708-449-7373

Benefits under the Sheet Metal Workers' Local 73 Welfare Fund are not vested or guaranteed. Full details of the Sheet Metal Workers' Local 73 Welfare Fund are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. The Trustees reserve the right to amend, modify, or discontinue all or part of the Plan at any time.