



Sheet Metal Workers' Local No. 25

New Jersey Benefit Fund

440 Barell Avenue, Carlstadt, New Jersey 07072

Telephone 201-507-0334

WWW.SMW25.ORG

Important Notice

October 15, 2011



CERTIFICATE OF CREDITABLE COVERAGE

(RETIREES)

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Sheet Metal Workers L#25 Welfare Fund and prescription drug coverage available for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

1. Sheet Metal Workers L#25 Welfare Fund has determined that the prescription drug coverage offered by Sheet Metal Workers L#25 Welfare Fund is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay and is considered Creditable Coverage. *You can continue to receive the Fund's benefits if you do not enroll in a Medicare prescription drug plan. If you do decide to enroll in a Medicare prescription drug plan, you will lose all your benefits with the Fund.*
2. Read this notice carefully – it explains the options you have for prescription drug coverage, and can help you decide whether you want to enroll in a Medicare prescription drug plan.

WHAT DO YOU NEED TO DO?

- ❖ **First:** Read this entire Notice.
- ❖ **Second:** If you are eligible for Medicare, compare your current coverage with Sheet Metal Workers L#25 Welfare Fund to the coverage available to you through the Medicare prescription drug plans available in your area.
- ❖ **Third:** Decide whether you want to enroll in a Medicare prescription drug plan.

KEEP IN MIND:

- ❖ Individuals can enroll in a Medicare prescription drug plan when they are first eligible and also from October 15 to December 7 of each year (the annual enrollment period).
- ❖ If you do enroll in a Medicare prescription drug plan, you will lose all your Retiree coverage with Sheet Metal Workers L#25 Welfare Fund.
- ❖ If you do not enroll in a Medicare prescription drug plan, your Retiree coverage with this plan continues.

INFORMATION ABOUT THE MEDICARE PRESCRIPTION DRUG PROGRAM

Prescription drug coverage is available to everyone with Medicare through private Medicare prescription drug plans. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium. You should compare your current coverage with Sheet Metal Workers L#25 Welfare Fund to the Medicare prescription drug plans available where you live. As you compare coverage, keep the following in mind:

- You would pay a premium to the Medicare prescription drug plan that you choose. The amount would depend on the type of coverage that you choose. For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available.
- Each Medicare prescription drug plan will cover different brand name drugs at different costs to you. Your drugs may not be covered under every plan, so you need to choose carefully. For instance, one plan might cover your current brand name medication, and another might not.
- Each Medicare prescription drug plan may have a different deductible, copayments, and other costs that you will be responsible for paying.
- Each Medicare prescription drug plan will have a different network of retail and mail order pharmacies.

YOUR CURRENT COVERAGE WITH SHEET METAL WORKERS L#25 WELFARE FUND

The Trustees have adopted the following prescription drug plan co-payments for retirees and their eligible dependents:

- **Retail Pharmacy – 30-day supply**
Co-payments
 - \$10 for Generic Prescriptions
 - \$15 for Formulary Name-Brand Drugs with no Generic Equivalent
 - \$40 for Formulary Name-Brand Drugs with a Generic Equivalent
- **Mail Order Pharmacy – 90-day supply**
Copayments
 - \$20 for Generic Prescriptions
 - \$30 for Formulary Name-Brand Drugs with no Generic Equivalent
 - \$80 for Formulary Name-Brand Drugs with a Generic Equivalent
- There is no Annual Maximum or Deductible.

For complete details about this benefit, please refer to the plan summary from SMW Local 25.

YOUR CHOICES

If you are eligible for Medicare, you can choose any one of the following options:

1. **You can continue to receive prescription benefits from the Sheet Metal Workers L#25 Welfare Fund, *only if you do NOT enroll in a Medicare prescription drug plan.***
 - » You may in the future enroll in a Medicare prescription drug plan during Medicare's annual enrollment period (October 15 through December 7 of each year). In addition, Medicare beneficiaries leaving or losing employer- or union-sponsored coverage may be eligible for a "special enrollment period" – this may allow enrollment in a Medicare prescription drug plan outside the regular annual enrollment period.
2. **If you enroll in a Medicare prescription drug plan, you will lose all your Retiree benefits from the Sheet Metal Workers L#25 Welfare Fund.**
 - » If you do this, you cannot re-enroll in the Sheet Metal Workers L#25 Welfare Fund in the future.
 - » Be aware that if you lose Retiree benefits from the Sheet Metal Workers L#25 Welfare Fund, you will lose coverage for yourself, your spouse and other dependents.

WHAT HAPPENS IF YOU LOSE OR DROP COVERAGE WITH SHEET METAL WORKERS L#25 WELFARE FUND AND YOU DO NOT ENROLL IN A MEDICARE DRUG PLAN?

You should also know that if you drop or lose your coverage with Sheet Metal Workers L#25 Welfare Fund and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more (a penalty in the form of a higher premium) to enroll in Medicare prescription drug coverage later. If you go 63 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% per month for every month that you did not have that coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what most other people pay. You'll have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until the next November to enroll.

For more information about this notice or your current prescription drug coverage...Contact our office for further information at 1-201-507-0334.

NOTE: You may receive this notice at other times in the future (such as before the next Medicare annual enrollment period, and if this coverage 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 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 these places:

- » Visit: www.medicare.gov
- » Call your State Health Insurance Assistance Program. (See the "Medicare & You" handbook for their telephone number.)
- » 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).

Remember: Keep this notice. When you enroll in a Medicare prescription drug plan, 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 amount.

Date: 10/15/2011

Name of Entity/Sender: Sheet Metal Workers L#25 Welfare Fund
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Carlstadt, NJ 07072
Phone Number: (201) 507-0334
WEB SITE: SMW25.ORG

As in all cases, Sheet Metal Workers L#25 Welfare Fund reserves the right to modify benefits at any time, in accordance with applicable law.

This document is intended to serve as your Notice of Creditable Coverage as required by law.