

ALASKA LABORERS TRUST FUNDS

Alaska Laborers-Construction Industry Health and Security Plan

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Administered by
Welfare & Pension Administration Service, Inc.

October 4, 2024

TO: All Retiree Participants with Medical and Prescription Drug Coverage

RE: Prescription Drug Coverage and Medicare

Important Notice from Alaska Laborers-Construction Industry Health and Security Fund About Your Prescription Drug Coverage and 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 Alaska Laborers-Construction Industry Health and Security Fund and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of the notice.

MEDICARE NOTICE OF CREDITABLE COVERAGE REMINDER

If you or your eligible dependents are currently Medicare eligible or will become Medicare eligible during the next 12 months, you need to be sure that you understand whether the prescription drug coverage that you elect under the Medical Plan is or is not creditable with (as valuable as) Medicare's prescription drug coverage.

Please review the Plan's statement of Creditable Coverage in paragraph 2.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers 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 coverage for a higher monthly premium.

- 2. It has been determined that the prescription drug coverage offered by the Alaska Laborers-Construction Industry Health and Security Fund is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.**

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from **October 15th** through **December 7th**.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide To Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Alaska Laborers-Construction Industry Health and Security Fund coverage will not be affected. The Trust will coordinate benefits with Part D drug plans. If you enroll in a Medicare Part D drug plan, please notify the Alaska Laborers-Construction Industry Health and Security Fund as soon as possible to set up the benefit coordination process.

You have the option to elect retiree Medical Only coverage and discontinue Prescription Drug coverage through the Alaska Laborers' Trust Fund. If you discontinue Prescription Drug coverage through the Alaska Laborers' Trust Fund, you will not be able to reinstate Prescription Drug coverage until January 1, 2023.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current Alaska Laborers-Construction Industry Health and Security Fund coverage and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable 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 that coverage. For example, if you go 19 months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

If you have specific questions about your Fund's prescription drug coverage, call the Administration Office at (855) 815-2323. **NOTE:** You will get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this Alaska Laborers-Construction Industry Health and Security Fund coverage changes. You may also request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription Drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help. In Alaska, program assistance may be reached by calling 1-800-478-6065.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or you may call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to 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).

Date: October 4, 2024
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