

ILWU-PMA Pension Plan
ILWU-PMA Welfare PlanILWU-PMA Watchmen Pension Plan
ILWU-PMA Supplemental Welfare Benefit Plan

November 5, 2007

To: ILWU Longshore, Ship Clerks, and Walking Boss/Foremen Locals
and Watchmen Locals 26 and 75

From: Gail Lorentz, Manager, Welfare Plans

Subject: MEDICARE PART D – Notice of “Creditable Coverage”

The attached updated notice of Medicare Part D “creditable coverage” is being mailed to the homes of the below eligible members the week of November 5th:

- All Medicare enrolled retired members
- All Medicare enrolled dependents of retirees
- All Medicare eligible Actives (age 65 and over)
- All Medicare eligible spouse of Actives (age 65 and over)
- All Medicare enrolled Actives and/or dependents with end-stage renal disease

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) mandates that the Plan annually inform all the above-mentioned Participants that their ILWU-PMA Welfare Plan Prescription Drug coverage is “creditable coverage” under Medicare Part D. A notice of “creditable coverage” was sent to all participants in 2005 and 2006. The attached updated notice includes reference to the general enrollment period of November 15th through December 31st.

Please contact the Plan office if you have any questions.

cc: Area Welfare Directors

Attachment

A copy of this memo can be downloaded at www.benefitplans.org

ILWU-PMA WELFARE PLAN
1188 FRANKLIN STREET, SUITE 300 – SAN FRANCISCO, CA 94109 – (415) 673-8500

RE: Important Notice Regarding Your Prescription Drug Coverage and Medicare Part D

Summary: ILWU-PMA Welfare Plan Prescription Drug Coverage for all Participants is Creditable Coverage under Medicare Part D.

This is a required notice for all Medicare eligible employees, pensioners, and/or dependents who are age 65 or older or are disabled and are receiving Social Security disability benefits. If you or your dependents do not fall within these categories, this notice does not now apply to you. The purpose of this notice is to provide proof of “creditable coverage” for Medicare eligible employees, pensioners, and/or dependents. If you are a Medicare eligible employee, pensioner or dependent please keep this notice for your records

- Effective January 1, 2006, new prescription drug coverage from Medicare (Medicare Part D) became available to everyone eligible for Medicare benefits. **Your existing prescription drug coverage under the Welfare Plan has been determined to be better than coverage under a Medicare Part D prescription drug plan. Therefore, do not enroll in a Medicare Part D prescription drug plan.**
- **You will continue to receive prescription drug coverage under the ILWU-PMA Welfare Plan.** Since your existing coverage under the ILWU-PMA Welfare Plan (regardless of whether you are enrolled in the Coastwise Indemnity Plan, Kaiser, or Group Health Cooperative) is better than the standard Medicare prescription drug coverage, **do not enroll in a Medicare Part D prescription drug plan and do not agree to pay a premium for a prescription drug plan offered by any other group or individual prescription drug plan.**
- If you drop or lose your current coverage under the ILWU-PMA Welfare Plan and do not immediately enroll in Medicare’s prescription drug coverage after your ILWU-PMA Welfare Plan prescription drug coverage ends, you may have to pay more to enroll in Medicare’s prescription drug coverage later. If you go 63 days or longer without prescription drug coverage that is at least as good as Medicare’s prescription drug coverage, your monthly Medicare Part D premium will go up at least 1% per month for every month you did not have prescription drug coverage. You would have to pay this higher premium as long as you have Medicare Part D coverage. In addition, you may have to wait until the next standard enrollment period of November 15th through December 31st. Remember: This only applies if you should drop or lose your current coverage under the ILWU-PMA Welfare Plan.
- If you have any questions about this notice or your current prescription drug coverage contact the Benefit Plans office.

NOTE: You may receive this notice at other times in the future such as before the period you can enroll in Medicare prescription drug coverage (annually between November 15th and December 31st) or if Medicare prescription drug coverage changes. You also may request a copy from the Benefit Plans office.

More detailed information about Medicare plans that offer prescription drug coverage can be found in the “Medicare & You” handbook, which you will receive in the mail every year from Medicare.