

# ILWU-PMA BENEFIT PLANS /

International Longshore & Warehouse Union —  
Pacific Maritime Association

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ILWU-PMA Pension Plan  
ILWU-PMA Welfare Plan

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

December 28, 2006

TO: ILWU-Longshore, Ship Clerk, and Walking Boss/Foremen Locals and  
Watchmen Locals 26 and 75

FROM: Gail Lorentz, Manager, Welfare Plans

**RE: Medicare Changes in Hospital Deductible and Coinsurance Amounts**

The Centers for Medicare & Medicaid Services has announced the following changes in inpatient hospital deductible and daily coinsurance amounts for 2007:

	2006	2007	Amount of Increase
Inpatient hospital deductible	\$952.00	<b>\$992.00</b>	\$40.00
Daily coinsurance amount in benefit period:			
61 <sup>st</sup> through 90 <sup>th</sup> day of hospitalization	\$238.00	<b>\$248.00</b>	\$10.00
21 <sup>st</sup> through 100 <sup>th</sup> day of extended care service in a skilled nursing facility	\$119.00	<b>\$124.00</b>	\$5.00
Daily coinsurance amount for lifetime reserve days	\$476.00	<b>\$496.00</b>	\$20.00

Medicare eligibles with coverage under the Coastwise Indemnity Plan will experience no increase in their out of pocket costs since the Welfare Plan pays for Medicare deductibles and coinsurance.

Effective January 1, 2007 the standard monthly Medicare Part B premium rate deducted from Medicare enrolled members' Social Security payments will increase to \$93.50 per month. Accordingly, the Plan's reimbursement of Medicare Part B premium included in the monthly pension payments will increase from \$88.50 to \$93.50. Individuals whose modified adjusted gross income (MAGI) exceeds \$80,000 (\$160,000 for couples) are subject to higher premium amounts. This change is mandated by Congress as part of the Medicare Modernization Act of 2003. Pensioners and Beneficiaries whose monthly Medicare Part B premium is higher than the standard monthly premium of \$93.50 must submit documentation to the Plan office verifying the amount of their monthly premium.

cc: Area Welfare Directors

A copy of this memo can be downloaded at [www.benefitplans.org](http://www.benefitplans.org)