

# ILWU-PMA BENEFIT PLANS /

International Longshore & Warehouse Union —  
Pacific Maritime Association

[www.benefitplans.org](http://www.benefitplans.org)

1188 FRANKLIN STREET • SUITE 101 • SAN FRANCISCO, CALIFORNIA 94109

(415) 673-8500

ILWU-PMA Pension Plan  
ILWU-PMA Welfare Plan

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

June 1, 2012

TO: ILWU Longshore, Ship Clerks and Walking Boss/Foremen Locals

FROM: Dottie Reed, Benefit Plans Office

**SUBJECT: Summary Annual Reports, Special Bulletin and Notice of Privacy Practices**

Enclosed is a copy of the Summary Annual Report for the year ended June 30, 2011 for the following Plans:

ILWU-PMA Welfare Plan

ILWU-PMA Supplemental Welfare Benefit Plan

Copies of these reports will be mailed to participants of each Plan as required by ERISA.

The enclosed bulletin entitled "News About Your Health and Pension Benefits" and the enclosed "Notice of Privacy Practices" will also be sent with the Summary Annual Reports to all participants.

Enclosures

DR:cy/opeiu29aficio/ MTP – Summary Annual Reports (Welfare Plan and SWB Plan) - 060112

**ILWU-PMA WELFARE PLAN**  
**1188 FRANKLIN STREET, SUITE 101 - SAN FRANCISCO, CA 94109**  
**(415) 673-8500**

**SUMMARY ANNUAL REPORT FOR ILWU-PMA WELFARE PLAN**

This is a summary of the annual report for the ILWU-PMA Welfare Plan ("Plan") (Employer Identification Number 94-6068578) for the Plan year beginning July 1, 2010 and ending June 30, 2011. The annual report is filed with the Internal Revenue Service as required under the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan sponsor (the Trustees of the ILWU-PMA Welfare Plan) has committed itself to pay directly from Plan assets certain types of claims incurred under the terms of the Plan. These include claims for hospital-medical-surgical benefits, prescription drug benefits, hearing aid program benefits, disability benefits, social security supplementation benefits and benefits under the Widows' Independent Living Subsidy Program.

**Insurance Information**

The Plan has contracts with insurance carriers to pay certain types of claims incurred under the terms of the Plan, including claims for dental benefits, death and dismemberment benefits and vision care benefits. In addition, the Plan has contracts with organizations which directly provide hospital-medical-surgical care, vision care, prescription drugs and dental care under the terms of the Plan. A list of the names of the Plan's insurance carriers and providers of care appears at the end of this report. The total premiums paid for the Plan year ending June 30, 2011 were \$131,149,482.

In the case of "experience-rated" contracts with insurance carriers, the premium costs are affected by, among other things, the number and size of claims. The premiums paid under such "experience-rated" contracts for the Plan year ended June 30, 2011 were \$37,572,170 and the total of all benefit claims paid under these "experience-rated" contracts during the Plan year was \$34,675,230.

**Basic Financial Statement**

The value of Plan assets after subtracting liabilities of the Plan was \$63,399,855 as of June 30, 2011 compared to \$92,623,322 as of July 1, 2010. During the Plan year, the Plan experienced a decrease in its net assets of \$29,223,467. The Plan had total income of \$565,566,906, including employer contributions of \$546,214,412, employee contributions of \$11,699,201, Medicare Part D subsidy of \$7,532,948 and earnings from investments of \$120,345.

Plan expenses were \$594,790,373. These expenses included \$7,574,003 in administrative expenses, \$456,066,888 in benefits paid directly to participants and beneficiaries and \$131,149,482 paid to insurance carriers and providers of care.

**Your Rights to Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

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1. an accountant's report;
2. assets held for investment;
3. transactions in excess of 5 percent of Plan assets; and
4. insurance information including fees paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the ILWU-PMA Welfare Plan, 1188 Franklin Street, Suite 101, San Francisco, CA 94109, telephone (415) 673-8500. It may be necessary for the Plan to impose a reasonable charge to cover copying costs. If so, you will be advised of the charge for specific documents requested before they are mailed to you.

You also have the right to receive from the Plan office, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan office, these two statements and accompanying notes will be included as part of that report. Any charge made to cover copying costs does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the ILWU-PMA Welfare Plan, 1188 Franklin Street, Suite 101, San Francisco, CA 94109, and at the U.S. Department of Labor in Washington D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington D.C. 20210.

#### **Additional Explanation**

This report is being distributed in accordance with provisions of the Employee Retirement Income Security Act (ERISA). ERISA requires that an annual report be filed with the Internal Revenue Service, and that a summary of the annual report be furnished each year to all Plan participants. This summary is being given general distribution to assure that all participants receive it. It may therefore be received by some persons who are not participants in the Plan.

ILWU-PMA Welfare Plan insurance carriers and providers of care:

Delta Dental Plan (Dental Service Plans of California, Oregon, Washington)  
Dental Health Services (Northern California, Washington)  
Yep Dental Corporation DBA Gentle Dental  
CIGNA/Great-West Healthcare  
Group Health Cooperative of Puget Sound  
Harbor Dental Associates  
Kaiser Foundation Health Plan (Northern California)  
Kaiser Foundation Health Plan (Southern California)  
Kaiser Foundation Health Plan of the Northwest  
Prescription Solutions  
Regence Life & Health Ins. Co.  
Vision Service Plan (California, Oregon, Washington)

**ILWU-PMA SUPPLEMENTAL WELFARE BENEFIT PLAN**  
**1188 FRANKLIN STREET, SUITE 101 - SAN FRANCISCO, CA 94109**  
**(415) 673-8500**

**SUMMARY ANNUAL REPORT FOR ILWU-PMA SUPPLEMENTAL WELFARE BENEFIT PLAN**

This is a summary of the annual report for the ILWU-PMA Supplemental Welfare Benefit Plan ("Plan") (Employer Identification Number 91-2003015) for the Plan year beginning July 1, 2010 and ending June 30, 2011. The annual report is filed with the Internal Revenue Service as required under the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan Sponsor (the Trustees of the ILWU-PMA Supplemental Welfare Benefit Plan) has committed itself to pay directly from Plan assets those Supplemental Welfare Benefits incurred under the terms of the Plan.

**Pursuant to the Letter of Understanding signed in conjunction with the 2008-2014 Memorandum of Understanding ("MOU") between the Pacific Maritime Association and the International Longshore and Warehouse Union, the ILWU-PMA Supplemental Welfare Benefit Plan ("SWB") will be terminated effective June 30, 2011. All benefit obligations from the SWB Plan will be assumed by the ILWU-PMA Pension Plan effective July 1, 2011. PLEASE NOTE: This change will not have any financial impact on monthly payments. No benefits were reduced by the termination of the SWB Plan.**

**Basic Financial Statement**

The value of Plan assets as of June 30, 2011, after subtracting liabilities of the Plan, was \$-0-. During the Plan year, the Plan accumulated assets of \$-0-. The Plan had total income of \$22,953,824 in employer contributions. Plan expenses were \$22,953,824 and were comprised of benefits paid to participants of \$22,759,922 and administrative expenses of \$193,902.

**Your Rights to Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. Included in that report is an accountant's report.

To obtain a copy of the full annual report, or any part thereof, write or call the ILWU-PMA Supplemental Welfare Benefit Plan, 1188 Franklin Street, Suite 101, San Francisco, CA 94109, telephone (415) 673-8500. It may be necessary for the trustees to impose a reasonable charge to cover copying costs. If so, you will be advised of the charge for specific documents requested before they are mailed to you.

You also have the right to receive from the Plan office, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan office, these two statements and accompanying notes will be included as part of that report. Any charge made to cover copying costs does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the ILWU-PMA Supplemental Welfare Benefit Plan, 1188 Franklin Street, Suite 101, San Francisco, CA 94109, and at the U.S. Department of Labor in Washington D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington D.C. 20210.

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# NEWS ABOUT YOUR HEALTH AND PENSION BENEFITS

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The information that follows concerns health and pension benefits for *eligible* active and retired longshoremen, ship clerks, walking bosses/foremen and watchmen, and their qualified dependents.

\* **Women's Health and Cancer Rights Act of 1998:**

On October 21, 1998 Congress passed the "Women's Health and Cancer Rights Act of 1998." Under this law, effective January 1, 1999 health plans must provide the following coverage after a mastectomy, as determined in consultation with the attending physician and the patient:

- ⇒ reconstruction of the breast on which the mastectomy was performed
- ⇒ surgery and reconstruction of the other breast to produce a symmetrical (balanced) appearance
- ⇒ prostheses (artificial replacements)
- ⇒ services for physical complications resulting from the mastectomy

All ILWU-PMA Welfare Plan health care programs provide this coverage and are in compliance with the law. *If you have any questions about this law, please contact your respective health plan or the Plan office.*

\* **Life Insurance Beneficiary Designation Form (for Active and Retired Longshoremen):**

Please remember to keep your Beneficiary Designation Form current. Changes in beneficiary designation may be made at any time by submitting a new Beneficiary Designation Form to the Benefit Plans Office. The Beneficiary Designation Form is available at your Local and the Benefit Plans Office.

**Beneficiary Designation Forms must be submitted to the Trustees c/o the ILWU-PMA Benefit Plans Office, 1188 Franklin Street, Suite 101, San Francisco, CA 94109. A change in beneficiary designation is not effective until the completed and signed form is received by the Trustees at the Benefit Plans Office.**

\* **Active and Retired Member's Address Changes:**

It is important to notify the Plan office when your **address changes**. To request an address change, call the Plan office at (415) 673-8500 to request a Record Change Form or you can download the form at [www.benefitplans.org](http://www.benefitplans.org). Retirees can send a signed written address change request to: ILWU-PMA Benefit Plans, 1188 Franklin Street, Suite 101, San Francisco, CA 94109.

\* **Who May Sign on Behalf of Pensioners:**

Under the rules of the ILWU-PMA Pension Plan, pension checks, address change requests, etc., must be signed by the pensioner or other person authorized to act on the pensioner's behalf, such as a court appointed guardian and/or conservator of the pensioner's estate. Under certain circumstances, benefit payments may be mailed to a pensioner in care of a Social Security Representative Payee or the holder of a power of attorney, and such person will be allowed to sign on the pensioner's behalf for certain Plan purposes. Documentation of the status as guardian, conservator, Social Security Representative Payee or holder of power of attorney must be sent to, and found acceptable by, the Benefit Plans

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Office before a signature other than the pensioner's can be accepted. Generally, a power of attorney document will be acceptable if it is received in the Plan office within five years of the date it is granted. These are the only circumstances under which anyone other than the pensioner will be allowed to sign on the pensioner's behalf for any Pension or Welfare Plan purpose.

\* **Pensioners/Survivors:**

If your ILWU-PMA pension check is being mailed to your home/post office box or to your bank/financial institution, consider signing up for Electronic Fund Transfer (EFT). EFT is a more efficient way of depositing your benefit payments – your payment is transmitted electronically and does not go through the postal service. With EFT, you always know what day your funds will be deposited in your account. Information about EFT and sign-up forms are available from the Benefit Plans Office (415-673-8500) or at the ILWU Locals, or may be downloaded at [www.benefitplans.org](http://www.benefitplans.org).

**NOTICE OF PRIVACY PRACTICES -- Effective Date: March 1, 2012**

THIS NOTICE DESCRIBES HOW HEALTH INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

**WHO WILL FOLLOW THIS NOTICE**

This Notice of Privacy Practices describes the practices of the ILWU-PMA Welfare Plan (the "Plan").

**If you have any questions about this Notice, or wish to contact the Plan to exercise any of your rights described below, please contact:**

**Antonio Holden, Office Manager/Privacy Officer**

**ILWU-PMA Benefit Plans -- 1188 Franklin Street, Suite 101, San Francisco, CA 94109 / Telephone: (415) 673-8500**

**OUR COMMITMENT TO YOUR PRIVACY**

We understand that health information about you and your health is personal and we are committed to protecting that information. We create a record of your benefits, eligibility status and claims history, which may include enrollment/application forms, provider billings, claim forms, EOBs, appeals data and correspondence. We need this record to provide you with quality health care benefits and to comply with certain legal requirements. Hospitals, physicians and other health care providers providing health care services to you may have different policies or notices regarding their uses and disclosures of your health information.

This Notice will tell you about the ways in which we may use and disclose health information about you. This Notice will also describe your rights and certain obligations we have regarding the use and disclosure of health information.

We are required by law to:

- make sure that health information that identifies you is kept private;
- give you this Notice of our legal duties and privacy practices with respect to health information about you; and
- follow the terms of the Notice that is currently in effect.

**HOW WE MAY USE AND DISCLOSE HEALTH INFORMATION ABOUT YOU**

The Plan will not disclose your health information to anyone, except with your authorization or as otherwise permitted or required by law. For some activities, we must have your written authorization to use or disclose your health information. However, the law permits us to use or disclose your health information for the following purposes without your authorization:

*Payment*

We may use and disclose your health information in order to pay for your health benefits under our health benefits programs. These activities may include making a determination of eligibility or coverage for benefits, reviewing services provided to you to determine medical necessity, and adjudication and subrogation of health benefit claims and collections. For example, we may use and disclose your health information to pay your claims.

*Health Care Operations*

We may use or disclose health information about you for our administrative operations. These uses and disclosures are necessary to make sure that our participants receive quality benefits and good service. We may also share your health information with our "business associates." These are entities that perform administrative services for the Plan. We have a written contract with each of our business associates that contains terms requiring them to protect the confidentiality of your health information. Here are some examples of the ways that we use your health information for our health care operations:

- creation, renewal, replacement or maintenance of contracts providing benefits;
- claims adjudication;
- disclosures to medical consultants to determine the medical necessity of treatment recommended by your physician;
- eligibility determinations;
- detection and investigation of fraud and other unlawful conduct;
- recovery of overpayments; and
- claims review procedures.

*As Required By Law*

We will disclose health information about you when required to do so by federal, state or local law. We must also share your health information with the Secretary of the Department of Health and Human Services to investigate or determine our compliance with federal privacy laws.

*To Avert a Serious Threat to Health or Safety*

We may use and disclose health information about you when necessary to prevent a serious threat to your health and safety or to the health and safety of the public or another person. Any disclosure, however, would only be to someone able to help prevent the threat.

*Special Situations*

We also may use or disclose your protected health information in the following special situations without your authorization. These situations include:

- *Health Oversight*

We may disclose protected health information to a health oversight agency for activities authorized by law, such as audits, investigations and inspections. Health oversight agencies include government agencies that oversee health plan administration, state insurance regulatory authorities and certain other government regulatory programs.

- *Public Health Risks*

We may disclose health information about you for public health activities. These activities may include (1) the prevention or control of disease, injury or disability and (2) notifying people of recalls of products they may be using.

- *Lawsuits and Disputes*

If you are involved in a lawsuit or a dispute, we may disclose health information about you in response to a court or administrative order. We may also disclose health information about you in response to a subpoena, discovery request or other lawful process by someone else

involved in the dispute, but only if efforts have been made to tell you about the request (which may include written notice to you) or to obtain an order protecting the information requested.

- *Law Enforcement*

We may release health information if asked to do so by a law enforcement official: (1) in response to a court order, subpoena, warrant, summons or similar process; (2) to identify or locate a suspect, fugitive, material witness or missing person; (3) about the victim of a crime if, under certain limited circumstances, we are unable to obtain the person's agreement; (4) about a death we believe may be the result of criminal conduct; or (5) in emergency circumstances to report a crime, the location of the crime or victims, or the identity, description or location of the person who committed the crime.

- *For Specific Government Functions*

We may disclose your health information for the following specific government functions: (1) health information of military personnel, as required by military authorities; (2) health information of inmates, to a correctional institution or law enforcement official; and (3) for national security reasons.

- *Workers' Compensation*

We may disclose your protected health information as authorized to comply with workers' compensation laws and other similar legally established programs.

## **YOUR RIGHTS**

The following is a statement of your rights with respect to your health information and a brief description of how you may exercise these rights.

*You have the right to inspect and copy your health information.*

You may inspect and obtain a copy of health information about you for as long as we maintain the health information. We may charge you a fee for the costs of copying, mailing or other supplies that are necessary to grant your request. You have the right to choose to obtain a summary instead of a copy of your health information.

Under federal law, however, you may not inspect or copy psychotherapy notes or information compiled in reasonable anticipation of, or for use in a civil, criminal or administrative action or proceeding. In some circumstances, you may have the right to have our decision to deny you access to your health information reviewed. Please contact the Plan if you have any questions about access to your health information.

*You have the right to request a restriction on the use and disclosure of your health information.*

You have the right to request restrictions on certain uses and disclosures of your health information. We are not required to agree to a restriction that you request. If we do agree to a requested restriction, we will put the agreement in writing and follow it, except in emergency situations. We cannot agree to limit uses or disclosures of information that are required by law. You may request a restriction by writing to or telephoning the Plan.

*You have the right to request to receive confidential communications from us by alternative means or at an alternative location.*

You may request that any and all confidential communications regarding your health information be sent by alternative means or to an alternative location. For example, you may request that we contact you only in writing or at a different residence or post office box. We will accommodate reasonable requests. We may, however, condition such accommodation on your agreeing to permanent communications at the alternative location or by the alternative means. We will not request an explanation from you as to the basis for the request. Please make any such requests in writing to the Plan.

*You may have the right to have your health information amended.*

You may request that we amend your health information that is incorrect or incomplete for as long as we maintain the information. In certain cases, we may deny your request for amendment. If we deny your request for amendment, you have the right to file a statement of disagreement with us and we may prepare a rebuttal to your statement and provide you with a copy of such rebuttal. Any statement of disagreement will become a permanent part of our records. To request an amendment, you must send a written request, along with the reason for the request, to the Plan.

*You have the right to receive an accounting of certain disclosures of your health information.*

You have a right to receive an accounting of disclosures of your health information we have made after April 14, 2003 for purposes other than disclosures (1) for payment or health care operations, (2) to you or based upon your authorization and (3) for certain government functions. To request an accounting, you must submit a written request to the Plan. You must specify the time period, which may not be longer than six years.

*You have the right to a copy of this Notice.*

You have the right to obtain a copy of this Notice from us upon request, even if you have agreed to accept this Notice electronically. To obtain a copy of this Notice, please contact the Plan.

## **CHANGES TO THIS NOTICE**

We reserve the right to change this Notice. We reserve the right to make the revised Notice effective for the health information we already have about you as well as any information we receive in the future. The Notice will contain on the first page, in the top right-hand corner, the effective date.

## **COMPLAINTS**

You may contact us or the Secretary of the United States Department of Health and Human Services if you believe your privacy rights have been violated. To file a complaint with the Plan, contact the Plan. All complaints must be submitted in writing. No retaliatory actions will be taken against you for filing a complaint.

## **OTHER USES OF HEALTH INFORMATION**

Other uses and disclosures of health information not covered by this Notice or the laws that apply to us will be made only with your authorization. If you provide us with permission to use or disclose health information about you by signing a written authorization, you may revoke that permission, in writing, at any time. If you revoke your permission, we will no longer use or disclose health information about you for the reasons covered by your written authorization. You understand that we are unable to take back any disclosures we have already made with your permission.