

# The Benefit Package

A Quarterly Newsletter for Northern California Laborers



Fall 2010 #50

## Medicare Part D Creditable Coverage

*Retired Participants*

# Rx

The Direct Payment Plan's prescription drug coverage is considered "Creditable".

Creditable means that the Direct Payment Plan pays as much in prescription drug coverage as the standard Medicare prescription drug coverage.

If you are enrolled in an HMO (Kaiser Permanente, Health Net or United Health Care) Medicare Advantage Plan, you are automatically enrolled in a Medicare prescription drug plan.

If you enroll in another individual Medicare prescription drug plan, you will be disenrolled from your current Medicare Advantage HMO Plan.

For more information about Medicare Part D go to the Medicare web site at [www.medicare.gov](http://www.medicare.gov).

## What Is Coordination Of Benefits?

Coordination of Benefits (COB) is when a participant is covered by more than one health plan. COB prevents over payment or duplication of benefit billing by assigning one health plan as primary payer.

Primary means the first insurance billed. Secondary means the other insurance companies are billed second.

Specific rules determine which of two or more Plans, each having COB provisions, pays its benefits in full and which becomes the secondary payer.

For example: If the Direct Payment Plan is the primary payer, the Plan will pay benefits without reduction. If the Direct Payment Plan is the secondary payer, the Plan will pay benefits for covered expenses not paid by the primary payer.



## Breast Cancer Risk Factors



A breast cancer "risk factor" is anything that increases your risk of developing breast cancer. Risk factors you cannot control include age, family history, and medical history. Risk factors you can control include your weight, physical activity, and alcohol consumption.

Concerned about breast cancer risk factors? Talk with your doctor.

## Plan Year Deductible

*Direct Payment Plan*

A deductible is the dollar amount you must pay during the year before benefits are paid by the Health Plan.

Active and Retired Deductible:

\$150 per person

\$450 per family

Plan Year:

March 1 - February 28

## Enclosed in this issue:

- Medicare Part D Creditable Coverage Notice\*
- Women's Health and Cancer Rights Act of 1998 Notice\*
- Annuity Plan Change: Payment of Accumulated Share\*

\*Notices may not pertain to you.

## Annuity Plan Individual Account



You can request the money in your Individual Account when one of the following occur:

- (1) Age 65 with no contributions for at least 3 consecutive months;
  - (2) Any age with less than 500 hours of contributions for 2-consecutive calendar years;
  - (3) Receipt of Social Security Disability Benefit;
  - (4) A Non-Bargained participant receiving a pension from *any* Defined Benefit Plan sponsored by a Contributing Employer;
- Effective January 1, 2011**
- (5) Work less than 1,000 hours within 24 months of your Annuity Starting Date.

Your Annuity Statement summarizes the value of your Individual Account and lists:

Contributions received  
 plus Investment Income  
 less Share of expenses

Refer to the Annuity Summary Plan Description Booklet for more information.

## When Am I Eligible For Health Coverage?

Under the Laborers Active Plan, your employer must pay monthly contributions to the Health and Welfare Fund for all hours you work. These paid hours are placed in your HOUR BANK.

You become eligible for Health and Welfare coverage the **FIRST** day of the **SECOND** month after your hour bank totals a minimum of 440 hours.

For each month that you are eligible for coverage, there is a deduction from your hour bank of 110 hours. To maintain ongoing eligibility, you must continue to work enough hours to keep your hour bank at a minimum of 440 hours. The maximum number of hours that you may accumulate in your hour bank is 990 after the deduction of the 110 hours.

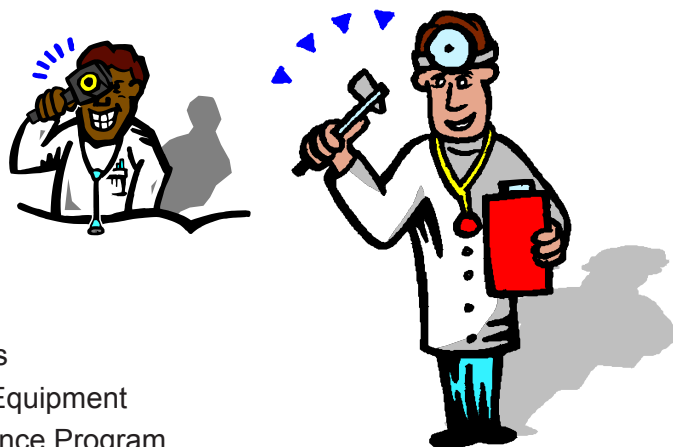
### HOUR BANK EXAMPLE

Work Month	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
<b>Beginning Hour Bank Balance</b>	0	210	395	485	495	385	385	415
<b>Work Hours</b>	210	185	200	120	None	None	140	None
<b>Sub-Total</b>	210	395	595	605	495	385	525	415
<b>Monthly Deduction</b>	None	None	-110	-110	-110	None	-110	None
<b>Ending Hour Bank Balance</b>	210	395	485	495	385	385	415	415
<b>Eligibility Month</b>	NOV NO	DEC NO	JAN YES	FEB YES	MAR YES	APR NO	MAY YES	JUN NO

Remember, the deduction of the 110 hours is for eligibility the second month following. If your hour bank drops below 440, your eligibility ends the **LAST** day of the **SECOND** month following.

Health and Welfare coverage includes:

- Medical
- Dental
- Vision
- Lab Tests
- Immunizations
- Mental Health
- Substance Abuse
- Prescription Drugs
- Durable Medical Equipment
- Employee Assistance Program



## Find An Anthem Blue Cross Doctor or Hospital

### Direct Payment Plan



Anthem Blue Cross offers a quick and easy way to find participating doctors and hospitals using the internet.

To find a doctor or hospital follow these directions:

Go to [www.anthem.com/ca](http://www.anthem.com/ca)

Click on Find a Doctor (right side of the screen) and then click “GO”

Select All Doctors and Facilities

If you are looking for a doctor in your Local area follow this six-step process:

1. Under New Member & Visitor Search click - Next
2. Select the Plan Type – Large Group Plans
3. Select a Plan – Blue Cross PPO – Prudent Buyer
4. Select Provider Type – Health Facility, Physician, Specialist, etc.
  - a. Click Next
5. Doctor options – Select one or more doctors by holding down the Control key
  - a. Click Next
6. Enter your address or State and County.

Review your doctor option results on a list, map, or downloadable directory.

## Vacation-Holiday Payout

Each participant in the Vacation-Holiday Trust Fund receives a Statement of Account each March (six-month period of August 1 - January 31) and September (six-month period of February 1 - July 31).



Compare your paycheck stubs with the Vacation-Holiday “Amount in Dollars” (*less Supplement Dues* if you have authorized such to be deducted) listed on the statement.

If the amount does not match, contact the Trust Fund Office.

The October Vacation-Holiday check mail date is October 29.

## Saving Money On A Fee Hunt



In this economy, many are taking extra care to keep their cash and plastic in their wallets.

However, the number and amount of fees for all sorts of everyday expenses and items can be like an invisible vacuum for nickels, dimes and dollars that could otherwise be put to better use.

The solution? Awareness of where these multitude of fees are utilized, effective planning, scrutinizing of bills and most importantly, comparison shopping.

Here’s a list of fees you could stamp out or minimize over the coming months:

- Bank fees
- Credit card fees
- Portfolio management fees
- Travel fees

For financial advice, contact  
**CLAREMONT EAP**

800.834.3773  
[www.claremonteap.com](http://www.claremonteap.com)

# CALENDAR

On or About This Date	We Will Mail	You Should
October 27, 2010	November 2010 Pension Benefit Check	Retain check stub for your records.
October 29, 2010	Vacation-Holiday Benefit Checks	Complete a Change of Address Form if you have recently moved.
November 24, 2010	December 2010 Pension Benefit Check	Retain check stub for your records.
November 25-26, 2010	 <b>Thanksgiving</b>	The Trust Fund Office will be closed in observance of this Holiday.
December 17, 2010	Pension Statement of Account	Verify hours, credited service, and benefit units. Retain Statement for your records.
December 24, 2010	 <b>Christmas Eve</b>	The Trust Fund Office will be closed in observance of this Holiday.
December 28, 2010	January 2011 Pension Benefit Check	Retain check stub for your records.
December 31, 2010	 <b>New Year's Eve</b>	The Trust Fund Office will be closed in observance of this Holiday.



## Contacting The Fund Office



Laborers Trust Funds  
220 Campus Lane  
Fairfield, CA 94534-1498



(707) 864 - 2800  
or Toll Free  
(800) 244 - 4530




Internet Web site:  
[www.norcalaborers.org](http://www.norcalaborers.org)

The Benefit Package is published by the Laborers Funds Administrative Office of Northern California, Inc. Its purpose is to provide you and your family with information about the various benefits available to eligible participants and how to effectively use those benefits. It is not intended as a substitute for official Plan documents. Your rights as a Plan Participant or Beneficiary can only be determined by consulting the Rules and Regulations of the Plans. Please submit any comments or suggestions to the address listed above.

PRSR1 STD  
U.S. POSTAGE  
PAID  
PERMIT #195  
OAKLAND CA

**Benefit Package**  
*the*  
[www.norcalaborers.org](http://www.norcalaborers.org)  
Laborers Funds Administrative  
Office of Northern California, Inc.  
220 Campus Lane  
Fairfield, CA 94534



**LABORERS HEALTH AND WELFARE TRUST FUND FOR NORTHERN CALIFORNIA  
220 CAMPUS LANE • FAIRFIELD, CALIFORNIA 94534-1498  
TELEPHONE 1-707-864-2800 OR TOLL-FREE 1-800-244-4530**

**NOTICE OF CREDITABLE PRESCRIPTION DRUG COVERAGE**

This document is to serve as your Notice of Creditable Prescription Drug Coverage, as required by law.

**To: All Participants of Laborers Health and Welfare Trust Fund for Northern California**

This Notice is for individuals with Medicare. If you or any of your eligible family members are now or will become eligible for Medicare during the next 12 months, read this Notice carefully and keep it where you can find it. **If you are not currently eligible for Medicare or will not be eligible for Medicare during the next 12 months, you may disregard this Notice.**

This Notice has information about your current prescription drug coverage with the Laborers Health and Welfare Trust Fund and prescription drug coverage available to individuals **with Medicare**. It also explains options you have under Medicare's Prescription Drug Program (i.e. Medicare Part "D"), which may help you decide whether or not you want to enroll in Medicare Part D.

**IMPORTANT POINTS TO KEEP IN MIND:**

1. Medicare prescription drug coverage first became available in 2006 to all individuals eligible for Medicare. Coverage was made available through Medicare Prescription Drug Plans and Medicare Advantage Plans **that offer prescription drug coverage**, such as Health Net Seniority Plus and United Health Care Secure Horizons and Kaiser Permanente Senior Advantage. All Medicare Prescription Drug Plans provide at least a *standard* level of coverage set by Medicare. Some plans may offer more coverage for a **higher monthly premium**.
2. The Laborers Health and Welfare Trust Fund has determined that the prescription drug coverage provided by the **Direct Payment Plan** is "**creditable**." Creditable means that the value of the prescription drug benefits offered by the **Direct Payment Plan** is, on average for all Plan Participants, at least as good as standard Medicare prescription drug coverage. That means the **Direct Payment Plan** is expected to pay as much in prescription drug coverage as the standard Medicare prescription drug coverage.
3. **Retired Laborers and Dependents enrolled in the Health Net Medicare COB with Prescription Drug Plan, Health Net Seniority Plus or United Health Care Secure Horizons or Kaiser Permanente Senior Advantage offered through the Laborers Health and Welfare Trust Fund:**
  - ▶ As enrollees in a Medicare HMO with Prescription Drug coverage (Health Net) or a Medicare Advantage Plan (Seniority Plus, Secure Horizons or Senior Advantage), **you are automatically enrolled in a Medicare Prescription Drug Plan**.

**Caution:** If you enroll in another individual Medicare Prescription Drug Plan you will be disenrolled from your current Medicare HMO (Health Net) or Medicare Advantage Plan (Seniority Plus, Secure Horizons or Senior Advantage). You may not be enrolled in a secondary Medicare Prescription Drug Plan in addition to what is offered through those Plans. If you are interested in another Medicare Prescription Drug Plan, you should call the Trust Fund Office to see what effect it will have on your current medical coverage **before you make the decision**.

4. Remember, if you are a Retired Laborer or a dependent of a Retired Laborer, you must enroll in Medicare Parts A and B **once you are Medicare eligible**. If you do not, you will not receive the maximum hospital and medical benefits, regardless of which health plan you choose.

Because your existing prescription drug coverage under the **Direct Payment Plan** is, on average, at least as good as standard Medicare prescription drug coverage, you can keep your prescription drug coverage under the **Direct Payment Plan** and you **do not need to enroll in the Medicare Prescription Drug Program (Medicare Part “D”)**. If you decide to enroll in Medicare Part D coverage at some future time, you will not be required to pay a higher premium because you had a Prescription Drug Plan (i.e. under the **Direct Payment Plan**) that was “**creditable**.” As long as you are enrolled in a creditable Prescription Drug Plan when you initially became eligible for Medicare and **you maintain that coverage**, you will not be penalized with a higher premium once you do enroll in Medicare Part D. **Exception - See Below: “What happens if you lose or drop your coverage in the Laborers Plan.”**

Individuals can enroll in a Medicare Prescription Drug Plan when they first become eligible for Medicare and every year thereafter between November 15th and December 31st. Beneficiaries whose group coverage expires may be eligible for a Special Enrollment Period to sign up for a Medicare prescription drug coverage.

#### **YOUR CHOICES IF YOU ARE ENROLLED IN THE DIRECT PAYMENT PLAN ARE:**

1. **DO NOTHING**. You can keep your current prescription drug coverage with the Laborers Health and Welfare Trust Fund - **Direct Payment Plan**. You do not have to enroll in a Medicare Prescription Drug Plan.
2. **ENROLL IN ONE MEDICARE PART D PLAN**. You can keep your current prescription drug coverage under the **Direct Payment Plan** and enroll in **one** Medicare Prescription Drug Plan (**remember**, though, this does not apply if you are enrolled in one of the Medicare HMO Plans mentioned earlier). **If you decide to enroll in a Medicare Prescription Drug Plan, you should understand that you must pay the Part D premium out of your own pocket**. Further, there will be no reduction in the monthly premium you pay for hospital/medical/prescription drug coverage through the Trust Fund. The Trust Fund will not separate the cost of prescription drug coverage from the total premium you pay for the **Direct Payment Plan**. If you are interested in enrolling in a Medicare Prescription Drug Plan, you should compare your current coverage, including the drugs covered, with the coverage and cost of individual Medicare Prescription Drug Plans in your area.

#### **WHAT HAPPENS IF YOU LOSE OR DROP COVERAGE IN LABORERS HEALTH AND WELFARE TRUST FUND AND YOU DO NOT ENROLL IN A MEDICARE PART D PRESCRIPTION DRUG PLAN?**

If you lose or drop your coverage in the Laborers Health and Welfare Trust Fund and you do not enroll in a Medicare Prescription Drug Plan, **you may be required to pay a higher premium as explained below:**

**If you lose or drop coverage in Laborers Health and Welfare Trust Fund and you wait 63 days or longer before enrolling in a prescription drug coverage that is at least as good as Medicare’s prescription drug coverage, your monthly premium will increase at least 1% per month for every month you did not have that coverage.**

For example, if 19 months pass without your having **creditable** prescription drug coverage, your monthly premium for Medicare (Part D) prescription drug coverage will be at least 19% higher than what you would have paid had you obtained coverage **before the 63 day lapse**. In addition, you may be required to wait until the next November to enroll.

**FOR MORE INFORMATION CONCERNING THIS NOTICE OR YOUR CURRENT PRESCRIPTION DRUG COVERAGE CONTACT THE TRUST FUND OFFICE:**

You will receive this Notice annually and at other times in the future (such as before the next period you can enroll in Medicare prescription drug coverage, or if the coverage provided by the Laborers Health and Welfare - **Direct Payment Plan** changes). You may also request a copy of this Notice at any time.

**MORE INFORMATION CONCERNING YOUR OPTIONS UNDER MEDICARE PRESCRIPTION DRUG COVERAGE:**

More detailed information on Medicare plans that offer prescription drug coverage is available in the Medicare and You Handbook. All persons enrolled in Medicare will receive a copy of the handbook in the mail each year from Medicare. Medicare beneficiaries may also be contacted directly by Medicare approved Prescription Drug Plans. For more information on Medicare Prescription Drug Plans:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program for personalized help. (See your copy of the Medicare & You handbook for the 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) online [www.socialsecurity.gov](http://www.socialsecurity.gov), or call at 1-800-772-1213 (TTY 1-800-325-0778).

**Remember: Keep this Notice. If you enroll in one of the new Medicare approved Prescription Drug Plans, you may be required to provide a copy of this Notice when you enroll to show that you are not required to pay a higher premium.**

---

**Date: October 15, 2010**

**Name of Sender: Laborers Health and Welfare Trust Fund for Northern California**

**Contact: Mr. Edward Smith, Fund Manager**

**Address: 220 Campus Lane, Fairfield, CA 94534-1498**

**Phone Number: 707-864-2800 or Toll-Free 800-244-4530**

In all cases, the Laborers Health and Welfare Trust Fund for Northern California reserves the right to modify benefits at any time, in accordance with applicable law.



MEDICARE PART "D" - CREDITABLE COVERAGE NOTICE  
INSERTED WITH *THE BENEFIT PACKAGE* - OCTOBER 2010

**Laborers Health and Welfare Trust Fund for Northern California**  
**220 Campus Lane**  
**Fairfield, California 94534-1498**  
**Telephone: (707) 864-2800 or Toll Free (800) 244-4530**

**Women's Health and Cancer Rights Act of 1998**  
**Annual Notice**

Insert with the 2010 Fall Benefit Package

To: All Plan Participants Covered under the Active, Special Active and Retired Plans

Annually, the Laborers Health and Welfare Trust Fund is required to provide Plan Participants with notification that applies to breast cancer patients who elect to have reconstructive surgery in connection with a mastectomy.

Under Federal Law, group health plans, insurers, and HMO's, that provide medical and surgical benefits in connection with a mastectomy, must provide benefits for reconstructive surgery, in consultation with the attending physician for:

- Reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to provide symmetrical appearance and;
- Prosthesis and treatment of physical complications at all stages of the mastectomy, including lymphedemas.

This coverage is subject to the Plan's deductible, coinsurance, and copayment provisions.

If you have questions, contact the Trust Fund Office. You may also email the Trust Fund Office at [customerservice@norcalaborers.org](mailto:customerservice@norcalaborers.org).

Sincerely,

Board of Trustees

**Laborers Pension Trust Fund for Northern California – Annuity Plan**  
220 Campus Lane  
Fairfield, CA 94534-1498  
1 (707) 864-2800 or 1 (800) 244-4530  
www.norcalaborers.org

**IMPORTANT ANNOUNCEMENT**

Insert with the 2010 Fall Benefit Package

DATE: October 15, 2010

TO: All Participants of the Laborers Pension Trust Fund for Northern California - **Annuity Plan**

RE: Payment of Accumulated Share

**Effective January 1, 2011**, a new provision has been added to the Annuity Plan which will allow an Employee to withdraw his Accumulated Share if there has been less than 1,000 hours of work for an Individual Employer in the 24-month period before his Annuity Starting Date.

**Example:**

- ▶ Employee begins work for Individual Employer in June, 2010.
- ▶ The Employee works less than 1,000 hours for an Individual Employer during the 24-month period beginning June 1, 2010 through May 31, 2012.
- ▶ The earliest the Employee may withdraw his Accumulated Share is June 1, 2012 unless the Employee meets one of the other rules for payment of his accumulated share. Refer to Section 3.02, page 29 of the June, 2007 Annuity Plan Booklet.

This change adds subsection (5) to Section 3.02.a of the Annuity Plan Rules and Regulations.

If you have questions about this Announcement, contact the Trust Fund Office, Monday through Friday, 8:00 AM to 5:00 PM.

Sincerely,

Board of Trustees

**This Announcement is intended to be a brief summary of the Plan change. It cannot describe each and every Plan Provision that may be relevant to your situation. You should always refer to your Plan Booklet for the full details of your Plan. You should keep all Important Announcements with your Plan Booklet so that it contains up-to-date information on the Plan.**