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## **Notice of Creditable Coverage**

### **For Active Participants Under the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund**

#### **Important Information About Your Prescription Drug Benefits and Medicare Prescription Drug Coverage**

This Notice has information about:

- Medicare prescription drug coverage is available to everyone with Medicare.
- How the Plan's existing prescription drug benefits are, on average for all active Plan participants, at least as good as standard Medicare prescription drug coverage, and are therefore considered "Creditable Coverage."
- What your choices are and what happens to your coverage under the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund if you join a Medicare prescription drug plan.
- Where to find more information to help you make decisions about your prescription drug coverage.

Read this Notice carefully as it explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. Keep this Notice in a safe place where you can find it.

The Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund will continue to provide prescription drug coverage for Medicare-eligible participants for 2023. You do **not** need to join a Medicare prescription drug plan since you have creditable coverage available through the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund. See your choices on the next page.

#### **Medicare Prescription Drug Coverage**

Prescription drug coverage is available to everyone with Medicare through Medicare Prescription Drug Plans or Medicare Advantage Plans (like an HMO or PPO) that offer prescription drug coverage. Most people will have to pay a monthly premium for Medicare prescription drug coverage. For people with limited income and assets, extra help paying for Medicare prescription drug coverage is available from Medicare. All Medicare prescription drug plans will provide at least a standard level of coverage as set by Medicare. Some Medicare prescription drug plans might offer better coverage for a higher monthly premium.

You can enroll in a Medicare prescription drug plan when you first become eligible for Medicare and each year between October 15<sup>th</sup> and December 7<sup>th</sup>. 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.

#### **Existing Coverage as Good as Standard Medicare Prescription Drug Coverage**

The Trustees have determined that your existing prescription drug benefits constitute "creditable coverage," which means the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund coverage is, on average for all plan participants, expected to pay as much in claims as standard Medicare prescription drug coverage.

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Because your current prescription drug benefits with the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund are, on average, as good as Medicare standard coverage and are therefore considered Creditable Coverage, you can choose to stay covered under the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund and not be subject to a penalty (in the form of a higher monthly premium) if you join a Medicare prescription drug plan later.

**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).**

### **Your Choices and the Consequences**

You should compare your current coverage, including which medications are covered, with the coverage and cost of the Medicare prescription drug plans in your area. Different prescription drug plans will cover different brand name medications and will have different deductibles, coinsurance, or copayments, and will charge different premiums. They may also have different networks of retail and mail order pharmacies.

If you **do not enroll** for Medicare prescription drug coverage, you will continue to be eligible to receive your current prescription drug benefits under the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund (as long as you are otherwise eligible to continue Plan coverage).

If you **enroll** for Medicare Prescription Drug Coverage, your current prescription drug coverage will not be affected and you will still be eligible to receive prescription drug coverage under the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund (as long as you are otherwise eligible to continue Plan coverage). Remember that for most people there is a monthly premium for Medicare prescription drug coverage. If you do enroll in a Medicare Prescription Drug Plan, this Plan will be primary and the Medicare Prescription Drug Plan will be secondary.

### **When Will You Pay a Higher Premium (Penalty) to Join a Medicare Drug Plan?**

You should know that if you drop or lose your coverage with the Heavy and General Laborers' Local Union 472 and Local Union 172 of New Jersey Welfare Fund and do not join a Medicare prescription drug plan within 63 continuous days after your current coverage ends, you may pay more (a penalty in the form of a higher premium) to join a Medicare prescription drug plan later. If you go 63 continuous days or longer without creditable coverage, your monthly premium for Medicare prescription drug coverage may go up by at least 1% of the Medicare base beneficiary premium for every month that you were eligible for but did not have that coverage. For example, if you go 19 months without creditable coverage, your monthly premium will consistently be at least 19% higher than the Medicare base beneficiary premium. You will have to pay this penalty (in the form of a higher monthly premium) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the next open enrollment period (October 15 through December 7 each year) to enroll.

### **For More Information About Medicare Prescription Drug Coverage**

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook that Medicare publishes each fall and sends to Medicare beneficiaries. If you are eligible for Medicare, you will receive a copy of the handbook in the mail every year from Medicare. You may also receive information directly from Medicare prescription drug plans.

To get more information, you can:

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- Visit [www.medicare.gov](http://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
  - Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and assets, extra help paying for Medicare prescription drug coverage is available. To get more information about this extra help, you can:

- Visit [www.socialsecurity.gov/prescriptionhelp](http://www.socialsecurity.gov/prescriptionhelp); or
- Call 1-800-772-1213 (TTY 1-800-325-0778).

**For More Information About This Notice or About the Heavy and General Laborers’ Local Union 472 and Local Union 172 of New Jersey Welfare Fund Prescription Drug Benefits**

If you have any questions about this Notice or would like more information about your prescription drug benefits under the Heavy and General Laborers’ Local Union 472 and Local Union 172 of New Jersey Welfare Fund, please call the Fund Office at 973-589-5050.

The Heavy and General Laborers’ Local Union 472 and Local Union 172 of New Jersey Welfare Fund will send you an updated copy of this Notice each year and before the next period you can join a Medicare drug plan. You will also receive a copy of this Notice if coverage through Heavy and General Laborers’ Local Union 472 and Local Union 172 of New Jersey Welfare Fund changes. You also may request a copy of this Notice at any time by contacting the Fund Office at 973-589-5050.

Date: September 10, 2022

Entity/Sender: Heavy and General Laborers’ Local Union 472 and Local Union 172 of New Jersey Welfare Fund

Contact: Fund Office – Member Services

Address: 700 Raymond Boulevard, Newark, New Jersey 07105

Telephone Number: 973-589-5050

**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).**

*This document is intended to serve as your Notice of Creditable Coverage as required by law. Benefits under Heavy and General Laborers’ Local Union 472 and Local Union 172 of New Jersey Welfare Fund are not vested or guaranteed. They may be modified, reduced, or terminated at any time, as specified in the legal documents that establish the Plan.*