

Puget Sound Electrical Workers Healthcare Trust

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Administered by
Welfare & Pension Administration Service, Inc.

October 11, 2024

Important Notice from Puget Sound Electrical Workers Healthcare Trust About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Puget Sound Electrical Workers Healthcare Trust and about your options under Medicare's prescription drug coverage. This information can help you decide whether you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Effective January 1, 2020 the Trust enrolled all Medicare eligible individuals such as retirees, spouses, or dependents in a new group Medicare Part D Prescription Drug Plan ("PDP") through Elixir Insurance Company, which is affiliated with Elixir Rx, the Trust's pharmacy benefit manager. This plan, called Elixir RxPlus Employer Group Retiree PDP ("Elixir RxPlus"), is a Medicare Part D Prescription Drug Plan exclusively for Trust retirees, spouses or dependents who are eligible for Medicare. In addition to the Elixir RxPlus plan, the Trust provides additional prescription drug coverage that closes the gaps between the Elixir RxPlus plan and the Trust's current prescription drug benefit.

This notice is to inform you that your current prescription drug benefit program through the Puget Sound Electrical Workers Healthcare Trust provides "creditable coverage," as defined below. It also includes answers to questions you may have regarding your current prescription drug program and how it relates to Medicare Part D coverage.

2025 CERTIFICATE OF CREDITABLE PRESCRIPTION DRUG COVERAGE

The Puget Sound Electrical Workers Healthcare Trust hereby certifies that the prescription drug coverage it provides to all eligible participants is expected to pay out, on average for all such participants, at least as much as the standard Part D coverage would pay in calendar year **2025**. It is therefore designated as providing **2025** "creditable coverage," meaning that any participant who later enrolls in a Part D plan will not be charged a late enrollment penalty for **2025**.

This is your notice of creditable coverage. Be sure to read it carefully and keep it in a safe place where you can find it. If you lose this notice and need another copy, please call the Fund's Administrator at (866) 314-4239, or request a copy in writing from Welfare & Pension Administration Service, Inc., P.O. Box 34203, Seattle, WA 98124. Updated versions of this notice will be sent annually and you will be informed if the Fund ever loses its creditable coverage status.

FREQUENTLY ASKED QUESTIONS

(1) Do I need to do anything now?

No, you can keep using the Trust's prescription drug program the same as you always have. Your copayments will not change, nor will any pharmacy network.

(2) When can I join a Medicare Part D Plan?

You can join a Medicare Part D Plan when you first become eligible for Medicare¹, and each year thereafter from October 15 to December 7.

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 Part D Plan.

(3) What happens to my current coverage if I decide to join a Medicare Part D Plan?

By enrolling in a Medicare Part D Plan outside of the Trust you will permanently lose your current prescription drug coverage under the Puget Sound Electrical Workers Healthcare Trust and you will not be reimbursed for your Part D premiums. If you do decide to join a Medicare Part D Plan and drop your Fund prescription drug coverage, be aware that you and your dependents will not be able to get the Fund prescription drug coverage back. As mentioned above, the standard Medicare Part D benefit is not as good as the Fund's own prescription drug program (as described in your Fund plan booklet).

You should compare your current prescription drug program, including which drugs are covered, with the benefits and costs of the Medicare Part D plans available in your area. To view the official summary of approved Medicare Part D plans in any U.S. state, visit <https://www.medicare.gov/find-a-plan/questions/home.aspx>. Note that a Medicare Part D plan might not include your regular prescription drugs or its formulary. The Fund cannot provide you with a complete comparison of available Medicare Part D plans, but we urge you to carefully review any descriptions you may obtain.

(4) So why do I need to keep my notice of creditable coverage?

In case you ever drop or lose your Fund coverage, or in the unlikely event that Fund coverage becomes non-creditable, having this notice will allow you to immediately enroll in a Medicare Part D plan without having to pay a late enrollment penalty.

¹ Your Medicare Initial Enrollment Period will be the month in which you become age 65, plus the preceding three months and the succeeding three months.

(5) When will I pay a higher premium (penalty) to join a Medicare Part D Plan?

You should also know that if you drop or lose your current coverage with the Trust and don't join a Medicare Part D Plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare Part D drug coverage. In addition, you may have to wait until the following October to join.

(6) How can I get more information on Medicare Part D?

More detail will be in the handbook "Medicare & You" that is mailed to you by Medicare in October of each year. For personalized help you can call the number on the inside back cover of the handbook for your state's Health Insurance Assistance Program. Also, at any time you can visit <http://www.medicare.gov> or call 1-800-MEDICAR (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. For more information about this extra help, visit the Social Security Administration website at <http://www.socialsecurity.gov/> or call them at 1-800-772-1213. TTY users should call 1-800-325-0778.

Be sure to keep this notice. If you enroll in one of the plans approved by Medicare which offer prescription drug coverage, you may need to give a copy of this notice when you join to show that you are not required to pay a higher premium.

Date: October 11, 2024
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