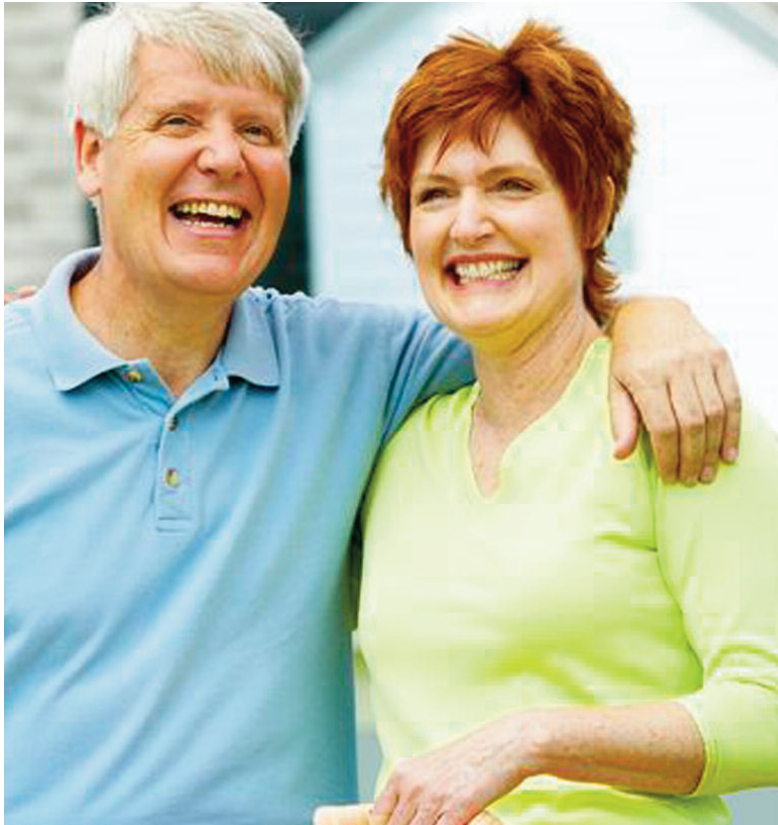


# FOR YOUR BENEFIT

Winter 2014 for Retired Members



## Information on becoming eligible for Medicare

**A**re you approaching age 65? If so, you are about to become eligible for Medicare. Read on to learn about the choices you need to make and how Medicare coordinates with your UEBT Retiree Health Plan.

### What is Medicare?

Medicare is a federal health insurance program that will help you pay for your medical costs.

(Please see page 2)

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**ALSO  
IN THIS  
ISSUE**

- What Non-Duplication of Benefits means to you **Page 4**
- Does your spouse/domestic partner have other insurance available? **Page 6**
- Review and update your information online **Page 7**
- Trust Fund 101 **Page 8**

*For Your Benefit* is a newsletter designed to keep all members informed about how to use their benefits most effectively. Members also may contact their Union's Benefit Clerks or call the Trust Fund office directly at **(800) 552-2400**. Phone hours for the Trust Fund office's Health and Welfare Services Department are 7:30 a.m.-5:30 p.m., Monday-Friday. Or visit us online at **[www.ufcwtrust.com](http://www.ufcwtrust.com)**.

**¿Le gustaría una versión en Español  
de este boletín de noticias?  
Would you like a Spanish version  
of this newsletter?**

**Visite [www.ufcwtrust.com](http://www.ufcwtrust.com), haga clic en el menú de Recursos y seleccione formas para elegir un tema.  
Visit [www.ufcwtrust.com](http://www.ufcwtrust.com), highlight the Resources menu and select Forms to choose an issue.**

Most people  
become  
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# Important information

(Continued from front page)

Its different parts – A, B, C and D – cover different services, from hospital stays to prescription drugs.

Most people become eligible for Medicare when they reach age 65, although there are some ways to receive Medicare benefits before that age.

You and/or your spouse/domestic partner can – and should – enroll in Medicare three months before turning 65. In the months leading up to that time, you should:

- Research Medicare and its related plans to understand fully what is offered.
- Notify the Trust Fund office prior to your effective date of Medicare coverage to ensure your benefit records are updated.
- Consider what your health care needs are now and what they will be in the future, and choose the best approach for you and your family.

**Enroll as soon as you are eligible and save money on your health care**

Upon becoming eligible, you should enroll in Medicare Parts A and B, but not Part D (the Trust Fund provides creditable coverage under its prescription drug program).

Enrollment in Medicare is necessary even though you are also covered under the UEBT Retiree Plan.

The medical benefits under the UEBT Retiree Health Plan for you and/or your



*For Your Benefit* is the official publication of the UFCW & Employers Benefit Trust. Every effort has been made to provide correct and complete information regarding particular benefits, but this newsletter does not include all governing provisions, limitations and exclusions, which may vary from plan to plan. Refer to the Summary Plan Description, Plan Document, Evidence of Coverage and/or Disclosure Form ("Governing Documents") for governing information. In the event of any conflict between the terms of this newsletter and the Governing Documents, the Governing Documents will control. As always, the Board of Trustees for the UFCW & Employers Benefit Trust retains the sole and complete discretionary authority to determine eligibility and entitlement to plan benefits and to construe the terms of the plans. The information in these articles is for general use only and should not be taken as medical advice. In an emergency, you are advised to call 9-1-1.

1277 Treat Blvd., 10th Floor  
Walnut Creek, CA 94597

2200 Professional Dr., Suite 200  
Roseville, CA 95661

(800) 552-2400 • [www.ufcwtrust.com](http://www.ufcwtrust.com)

## Glossary

A **copayment** is a fixed dollar amount you pay each time you use certain services, such as when you fill a prescription.

The **primary payer** is the health insurance carrier that is responsible for providing benefits before any other insurer makes payment.

**Coinsurance** is a percentage of covered expenses that you pay after the deductible is satisfied and until your coinsurance out-of-pocket maximum is reached. For example, assuming your deductible was met, if you receive a service with covered expenses of \$100 and your coinsurance is 20%, you would pay \$20, unless you have reached your out-of-pocket maximum. The Trust Fund pays the balance of the covered expenses.

A **participant** in the Trust Fund is someone who is covered under the current Collective Bargaining Agreement between the unions and employers. He or she has access to health care benefits through the Trust Fund.

# on becoming eligible for Medicare

enrolled spouse/domestic partner will be coordinated with Medicare Parts A and B, even if you or they are not enrolled in Medicare.

If you do not enroll in Medicare, you will be responsible for full or partial claims that would have been paid under Medicare. Your benefits under the UEBT Retiree Health Plan will be reduced by estimated Medicare benefits.

For example, assume you have a medical procedure that costs \$10,000. The UEBT Retiree Health Plan will estimate Medicare would have paid 80%, or \$8,000 for those costs. The UEBT Retiree Health Plan would generally pay 75% or \$7,500 of those same costs.

Under the non-duplication of benefits rules, the UEBT Retiree Health Plan will estimate that Medicare's payment exceeds what the UEBT Retiree Health Plan would have paid in absence of Medicare. Therefore the UEBT Retiree Health Plan would pay nothing.

If you elect the HMO option under the UEBT Retiree Health Plan and are eligible for Medicare but do not enroll in Medicare Parts A and B, you will be dis-enrolled from the HMO option and automatically enrolled in the PPO option with reduced benefits.

**Note:** *A retiree and spouse/domestic partner must have the same Medicare status to enroll in Health Net. A member and spouse/domestic partner do not have to have the same Medicare status to enroll in Kaiser – one can be in the Medicare plan and one can be in the non-Medicare plan.*

In both cases, you will be responsible for the majority of your medical costs, which will dramatically increase your out-of-pocket expenses for health care.

If you or your enrolled spouse/domestic partner first becomes eligible for Medicare after the UEBT Retiree

Health Plan's Open Enrollment period, you must notify the Trust Fund office. If you do not notify the office of your Medicare eligibility, you will be responsible for refunding any overpayment of benefits made by the UEBT Retiree Health Plan where the Plan did not coordinate benefits with Medicare.

## Members receiving Social Security or disability benefits

If you and/or your spouse/domestic partner receive – or will be receiving – Social Security or certain disability benefits, you will become eligible for Medicare after a 24-month qualifying period. You will be contacted by Social Security or the administrator of your disability benefits to enroll in Medicare in the months prior to your eligibility.

## Medicare Part C

Medicare Advantage Plans, sometimes called "Part C" or "MA Plans," are offered by private companies approved by Medicare. If you join a Medicare Advantage Plan, you still have Medicare. You'll get your Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance) coverage from the Medicare Advantage Plan and not Original Medicare.

Medicare Advantage Plans are offered by both Kaiser and Health Net. If you would like more information on these plans, how to enroll and what they offer please contact either Kaiser or Health Net for more information.

## Medicare Part D – Do not enroll

In order to receive prescription drug coverage through the UEBT Retiree Health Plan, you cannot be enrolled in the Medicare Part D prescription drug program.

If you are enrolled in Part D, you must dis-enroll immediately to avoid the termination of your prescription drug coverage under the Plan on the day your Part D coverage activates.

If you are enrolled in Kaiser Senior Advantage under the UEBT Retiree Health Plan and you also enroll in a Medicare prescription drug plan, you will be automatically dis-enrolled from your Kaiser Senior Advantage plan for both medical and prescription drug coverage.

## Reminders

- Becoming eligible for Medicare soon? Notify the Trust Fund office prior to your effective date to ensure your records are updated quickly and efficiently.
- If you have Active UEBT Plan coverage through your working spouse/domestic partner and are becoming eligible for Medicare, you don't have to enroll in Part B. However, to use the UEBT Retiree Plan, you must enroll in Medicare Part B.
- All disabled Retirees and their enrolled spouses/domestic partners must enroll in Medicare Parts A and B (not Part D), regardless of age.
- Members must notify the Trust Fund office if they or a spouse/domestic partner become disabled while enrolled in Medicare so the office can coordinate and process benefits efficiently.
- If you are enrolled in Medicare and the UEBT Retiree Health Plan, the UEBT Retiree Health Plan becomes primary on claims where you have reached the maximum Medicare benefits for some covered services.

# What Non-Duplication of

The UEBT Plan will only provide additional payment if the other insurance pays less than what the UEBT Plan would have paid.

The term “Non-Duplication of Benefits” applies to participants who have other insurance. It means that, if a participant’s or dependent’s other insurance is the primary payer, the UEBT Plan will only provide additional payment if the other insurance pays less than what the UEBT Plan would have paid if it was the primary plan.

For example, if retiree Ralph had a medical procedure and a non-UEBT Plan was going to be the primary payer for that procedure; the claim would be processed as follows:

## Example 1

Amount billed for Ralph’s procedure: \$8,500

Primary Plan allowed amount: \$8,100

UEBT Plan allowed amount: \$7,500

Primary Plan payable at 70%: \$5,670

UEBT Plan payable at 85%: \$6,375

In this example, we are assuming that Ralph has satisfied his deductible. Because the UEBT Plan would have covered more of the cost of Ralph’s procedure (85% versus 70%), the UEBT Plan will pay the difference.

UEBT Plan payable amount: \$6,375

Minus primary plan payable amount: -\$5,670

**Equals** (UEBT Plan will pay): \$705

Ralph’s remaining responsibility is \$1,725.

Primary Plan allowed amount: \$8,100

Minus primary plan’s payment: -\$5,670

Minus UEBT plan payment: -\$705

**Equals** (Ralph’s responsibility): \$1,725

If the UEBT payable amount was lower than the primary plan’s payable amount then the UEBT Plan would pay zero as shown in the following example.



# Benefits means for you

## Example 2

If retiree Rosalyn had a medical procedure and Medicare or another non-UEBT Plan was going to be the primary payer for that procedure, the claim would be processed as follows:

Billed amount: \$8,600

Primary Plan allowed amount: \$6,500

UEBT Plan allowed amount: \$6,500

Primary Plan payable at 80%: \$5,200

UEBT Plan payable at 75%: \$4,875

In this case, the UEBT Plan would have paid 75% of the allowed amount (after Rosalyn's deductible). Because the primary plan offers coverage greater than what the UEBT Plan offers (80% versus 75%), the UEBT Plan will pay nothing additional toward Rosalyn's procedure.

Rosalyn will be responsible for the 20% remaining amount due of the Primary Plan's allowed amount.

## Notes and reminders

- In no case will the UEBT Plan pay for a service that is covered under a non-UEBT primary plan but is not a covered benefit under the UEBT Plan.
- Your out-of-pocket maximum, based on your UEBT plan, remains the same regardless of whether another plan is primary under Non-Duplication of Benefits.





## Is other insurance available for you or one of your loved ones? **Contact the Trust Fund.**

It is your responsibility to notify the Trust Fund office (TFO) if you, or your enrolled spouse/domestic partner and/or your enrolled dependent children have other insurance available through that individual's current or previous employer.

You must provide the Trust Fund with the other carrier information within 30 days so benefits can be coordinated properly.

### **Penalties may occur**

If you, your spouse/domestic partner or your dependent children have other group insurance offered through your employers or former employers, you must take the other coverage. If you do not have other insurance offered by your employer, you must submit a letter (on letterhead from your employer) to the TFO stating there is no other coverage "offered" for Medical, Dental and/or Vision.

If you do not submit the letter on letterhead from your employer, or if you choose not to take the other coverage, there will be a 60% reduction of payment applied to the family member who did not take the other coverage offered to him or her.

**Note:** If the spouse/domestic partner or dependent child's employer letter is received after claims have been processed under the 60% reduced benefit, the claims will not be reprocessed.

When a retiree, a spouse/domestic partner or a dependent child has other group coverage based on their own current or former employment that is an HMO, the individual is required to use that HMO benefit first.

# Review and update your personal information at [www.ufcwtrust.com](http://www.ufcwtrust.com)

In order to receive the latest information from the Trust Fund, you must keep the Trust Fund office updated with your current address and phone number. It is your responsibility to stay informed and keep the benefits information you receive for reference.

The easiest way to do this is to login at [www.ufcwtrust.com](http://www.ufcwtrust.com) to view your profile. Select the “My Contact Info” icon to make changes directly online. Your contact information will be updated within five business days.

Keeping your information current and staying informed will help you better manage your benefits and can assist in reducing health care costs for you and the Trust Fund.

While you’re on the website, you can also select the “My Health Benefits” icon to review the benefit details for you and any eligible dependents.







## Trust Fund 101

# A message of thanks

The Trust Fund's Board of Trustees extends a heartfelt thanks to all Retirees and Active Members.

We realize 2013 was a year filled with changes and you have taken them in stride.

Open Enrollment moved to the Internet, where more than 50,000 users registered at [www.ufcwtrust.com](http://www.ufcwtrust.com). The numbers of Retirees and Actives who completed Open Enrollment were the highest ever.

Our phone lines stayed busy and we hired additional help. Our Health and Welfare Services representatives are dedicated to helping each and every person.

Visits were high at Trust Fund and Union offices. Attendance at our Open Enrollment Fairs was fantastic. Many members and retirees got answers to their questions and completed their enrollments.

We listen to your suggestions. We're already preparing for the next Open Enrollment, coming this summer and fall, and are making every effort to make your next enrollment even easier.

Thanks again for your patience and understanding, and for participating in Open Enrollment for 2014.

**We are making every effort  
to make your next Open  
Enrollment even easier.**



## Thank you for your patience

The Trust Fund thanks all participants for their patience during the Open Enrollment 2014 process last fall. The Trust Fund office staff worked very hard to reduce phone wait times and address all questions and concerns as quickly as possible.