

# *Automotive Industries Welfare Fund*

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

Date: November 1, 2008

To: All Participants in the Automotive Industries Welfare Fund

From: Board of Trustees

### **Important Notice from the Automotive Industries Welfare Fund About Your Prescription Drug Coverage and Medicare**

**This Notice is for people with Medicare. If you or any of your eligible family members is now eligible for Medicare or will become eligible for Medicare in the next year, please read this notice carefully and keep it where you can find it.**

This notice has information about your current prescription drug coverage with the Automotive Industries Welfare Fund and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare's prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription coverage. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans offer more coverage for a higher monthly premium.
2. Automotive Industries Welfare Fund has determined that the prescription drug coverage offered by the Direct Pay Prescription Drug Plan (including HealthNet enrollees) and, the Kaiser Medicare Cost Plan, is on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay.

**Because your existing prescription drug coverage is, on average, at least as good as standard Medicare prescription drug coverage, you can keep your prescription drug coverage under Automotive Industries Welfare Fund and you do not need to enroll in a Medicare prescription drug program. You will not have to pay any extra premium if you later decide to enroll in Medicare coverage.**

Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from November 15<sup>th</sup> through December 31<sup>st</sup>. Beneficiaries leaving employer/union coverage may also be eligible for a Special Enrollment Period to sign up for a Medicare prescription drug plan.

## **YOUR CHOICES:**

**1. You can keep your current prescription drug coverage with the Automotive Industries Welfare Fund, and you do not have to enroll in a Medicare prescription drug plan.**

- You may in the future enroll in a Medicare prescription drug plan during Medicare's annual enrollment period (November 15 to December 31 of each year). You will not be charged any penalty if you later decide to purchase a Medicare prescription drug plan.

**2. You can keep your current prescription drug coverage with the Automotive Industries Welfare Fund and enroll in ONE Medicare prescription drug plan.**

- If you do this, the Automotive Industries Welfare Fund will pay primary to Medicare. You will need to pay the part D premium out of your own pocket.

## **WHAT WILL HAPPEN IF YOU LOSE OR DROP COVERAGE WITH THE AUTOMOTIVE INDUSTRIES WELFARE FUND AND YOU DO NOT ENROLL IN A MEDICARE DRUG PLAN?**

You should also know that if you drop or lose your coverage with the Automotive Industries Welfare Fund and do not enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more to enroll in Medicare prescription drug coverage later.

If you go 63 days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly premium will go up at least 1% per month for every month that you did not have that coverage. For example, if nineteen months pass with you not having coverage, your premium will always be at least 19% higher than what most other people pay. You will have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until the next November to enroll.

### **For more information about this notice or your current prescription drug coverage:**

Contact the Fund Office for further information at 1-800-635-3105, or (510) 836-2484.

**NOTE:** 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 and if the coverage provided by Automotive Industries Welfare Fund changes). You also may request a copy of this Notice at any time.

**For more information about your options under Medicare prescription drug coverage:**

More detailed information about Medicare plans that offer prescription drug coverage will be available in the “**Medicare & You**” handbook. All persons enrolled in Medicare (a “beneficiary”) 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 about Medicare prescription drug plans:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & You handbook for the 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 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 at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them 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 join to show that you are not required to pay a higher premium amount.**

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Date: November 1, 2008

Name of Entity/Sender: Automotive Industries Welfare Fund

Contact: Automotive Industries Welfare Fund - Billing and Eligibility Department

Address: 1640 South Loop Road, Alameda, California 94502

Phone Number: 1-800-635-3105 or (510) 836-2484

As in all cases, the Automotive Industries Welfare Fund reserves the right to modify benefits at any time, in accordance with applicable law.