



# OE3 Trust Funds

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OPERATING ENGINEERS TRUST FUNDS

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Date: October 2022  
To: All Participants in the Pensioned Operating Engineers Health and Welfare Trust Fund  
From: Board of Trustees

**Important Notice About Prescription Drug Coverage for People with Medicare. This document is intended to serve as your Notice of Creditable Prescription Drug Coverage, as required by law.**

**This notice is for people with 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 the Pensioned Operating Engineers Health and Welfare Trust Fund and the 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 in that Medicare prescription drug coverage. At the end of this notice is information on where you can get help to make a decision about Medicare's prescription drug coverage.

**Note:** If you are currently enrolled in a HMO Medicare Advantage Plan (Kaiser Senior Advantage, Health Net or United Healthcare) through Pensioned Operating Engineers Health and Welfare Trust Fund, please see the last page of this notice addressing your Medicare Advantage Plan.

- **If you and/or your family members are not now eligible for Medicare, and will not be eligible during the next 12 months, you may disregard this Notice.**
- **If, however, you and/or your family members are now eligible for Medicare or may become eligible for Medicare in the next 12 months, you should read this Notice very carefully.**

This announcement is required by law whether the group health plan's coverage is primary or secondary to Medicare. Because it is not possible for our Plan to always know when a Plan participant or their eligible spouse or children have Medicare coverage or will soon become eligible for Medicare we have decided to provide this Notice to all plan participants.

Prescription drug coverage for Medicare-eligible people is available through Medicare prescription drug plans (PDPs) and Medicare Advantage Plans (like an HMO or PPO) that offer prescription drug coverage. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more drug coverage for a higher monthly premium.

**Pensioned Operating Engineers Health and Welfare Trust Fund has determined that the following prescription drug coverage is “creditable”:**

- **The self-funded prescription drug plan (administered by Optum Rx); and**
- **The fully insured prescription drug coverage under the Kaiser California and Kaiser Hawaii Non-Medicare and Medicare Cost plans.\***

“Creditable” means that the value of this Plan’s prescription drug benefit is, on average for all plan participants, expected to pay out as much as or more than the standard Medicare prescription drug coverage will pay.

Because the plan options noted above are, on average, at least as good as the standard Medicare prescription drug coverage, **you can elect or keep prescription drug coverage under the Trust Fund’s self-funded plan and you will not pay extra if you later decide to enroll in Medicare prescription drug coverage.** You may enroll in Medicare prescription drug coverage at a later time, and because you maintain creditable coverage, you will not have to pay a higher premium (a late enrollment fee penalty).

**\*Note:** The Kaiser Senior Advantage, Health Net and United Healthcare plans are Medicare Advantage plans. If you are enrolled in one of these plans, you are already in a Medicare plan and you do not need to keep this notice. See the box on the last page of this notice regarding these Medicare Advantage Plans.

**REMEMBER TO KEEP THIS 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).**

**WHEN CAN YOU JOIN A MEDICARE DRUG PLAN?**

Medicare-eligible people can enroll in a Medicare prescription drug plan at one of the following 3 times:

- when they first become eligible for Medicare; or
- during Medicare’s annual election period (from October 15<sup>th</sup> through December 7<sup>th</sup>); or
- for beneficiaries leaving employer/union coverage, you may be eligible for a Special Enrollment Period (SEP) in which to sign up for a Medicare prescription drug plan.

When you make your decision whether to enroll in a Medicare prescription drug plan, you should also compare your current prescription drug coverage, (including which drugs are covered and at what cost) with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

## YOUR RIGHT TO RECEIVE A NOTICE

You will receive this notice at least every 12 months and at other times in the future such as if the creditable/non-creditable status of the prescription drug coverage through this plan changes. You may also request a copy of a Notice at any time.

## WHY CREDITABLE COVERAGE IS IMPORTANT (When you will pay a higher premium (penalty) to join a Medicare drug plan)

If you do not have creditable prescription drug coverage when you are first eligible to enroll in a Medicare prescription drug plan and you elect or continue prescription drug coverage under a **non-creditable** prescription drug plan, then at a later date when you decide to elect Medicare prescription drug coverage you may pay a higher premium (a penalty) for that Medicare prescription drug coverage for as long as you have that Medicare coverage.

Maintaining creditable prescription drug coverage will help you avoid Medicare's late enrollment penalty. This **late enrollment penalty** is described below:

If you go 63 continuous days or longer without creditable prescription drug coverage (meaning drug coverage that is at least as good as Medicare's 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 either Medicare prescription drug coverage or coverage under a creditable prescription drug plan. You may have to pay this higher premium (the penalty) as long as you have Medicare prescription drug coverage.

For example, if 19 months pass where you do not have creditable prescription drug coverage, when you decide to join Medicare's drug coverage your monthly premium will always be at least 19% higher than the Medicare base beneficiary premium. Additionally, if you go 63 days or longer without prescription drug coverage you may also have to wait until the next October to enroll for Medicare prescription drug coverage.

## YOUR CHOICES:

You can choose any **one** of the following options:

Your Choices:	What you can do:	What this option means to you:
<b>Option 1</b>	You can select or keep your current medical and prescription drug coverage with one of the plan options offered by the Pensioned Operating Engineers Health and Welfare Trust Fund, and <b>you do not have to enroll in a Medicare prescription drug plan.</b>	You will continue to be able to use your prescription drug benefits through one of the plan options offered by Pensioned Operating Engineers Health and Welfare Trust Fund. <ul style="list-style-type: none"><li>• You may, in the future, enroll in a Medicare prescription drug plan during Medicare's annual enrollment period (during October 15-December 7 of each year).</li><li>• As long as you are enrolled in creditable drug coverage you will not have to pay a higher premium (a late enrollment fee) to Medicare when you do choose, at a later date, to sign up for a Medicare prescription drug plan.</li></ul>

Your Choices:	What you can do:	What this option means to you:
<p><b>Option 2</b></p>	<p>You can keep your current medical and prescription drug coverage with Pensioned Operating Engineers Health and Welfare Trust Fund <b>and also enroll in a Medicare prescription drug plan.</b></p> <p>If you enroll in a Medicare prescription drug plan you will need to pay the Medicare Part D premium out of your own pocket. There will be no reduction in the charge for your Trust Fund medical and prescription drug coverage.</p>	<p>Your current coverage pays for other health expenses in addition to prescription drugs. If you enroll in a Medicare prescription drug plan, you and your eligible dependents will still be eligible to receive all of your current health and prescription drug benefits.</p> <p>Having dual prescription drug coverage under this Plan and Medicare means that you will still be able to receive all your current health coverage and this Plan will coordinate its drug payments with Medicare as follows:</p> <ul style="list-style-type: none"> <li>• For Medicare eligible Retirees and their Medicare eligible dependents, Medicare Part D coverage pays primary and the Trust Fund plan may pay secondary.</li> </ul> <p>Note that each Medicare prescription drug plan (PDP) may differ. Compare coverage, such as:</p> <ul style="list-style-type: none"> <li>• PDPs may have different premium amounts;</li> <li>• PDPs cover different brand name drugs at different costs to you;</li> <li>• PDPs may have different prescription drug deductibles and different drug copayments;</li> <li>• PDPs may have different networks for retail pharmacies and mail order services.</li> </ul>
<p><b>Option 3</b></p>	<p>You can drop your current medical <b>and</b> prescription drug coverage with Pensioned Operating Engineers Health and Welfare Trust Fund and instead enroll in a Medicare prescription drug plan.</p>	<ul style="list-style-type: none"> <li>• If you drop coverage for yourself, you will lose coverage for your spouse and dependents.</li> <li>• If you drop coverage, you can never come back into this plan unless you qualify under the Special Late Enrollment provisions (e.g., if you had continuous other health coverage but lost it, or you acquire a new eligible dependent spouse or child.)</li> <li>• Note that you may not drop just the prescription drug coverage under this Pensioned Operating Engineers Health and Welfare Trust Fund plan. That is because prescription drug coverage is part of the entire medical plan.</li> </ul>

**FOR MORE INFORMATION ABOUT YOUR OPTIONS UNDER MEDICARE’S PRESCRIPTION DRUG COVERAGE**

More detailed information about Medicare plans that offer prescription drug coverage is available in the “Medicare & You” handbook. A person enrolled in Medicare (a “beneficiary”) will get a copy of this handbook in the mail each year from Medicare. A Medicare beneficiary may also be contacted directly by Medicare-approved prescription drug plans. For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see 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.

**Para más información sobre sus opciones bajo la cobertura de Medicare para recetas médicas.**

Revise el manual “Medicare Y Usted” para información más detallada sobre los planes de Medicare que ofrecen cobertura para recetas médicas. Visite [www.medicare.gov](http://www.medicare.gov) por el Internet o llame GRATIS al 1 800 MEDICARE (1-800-633-4227). Los usuarios con teléfono de texto (TTY) deben llamar al 1-877-486-2048. Para más información sobre la ayuda adicional, visite la SSA en línea en [www.socialsecurity.gov](http://www.socialsecurity.gov) por Internet, o llámeles al 1-800-772-1213 (Los usuarios con teléfono de texto (TTY) deberán llamar al 1-800-325-0778).

**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). For more information about this extra help, visit SSA online at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**This information applies only to Retirees and Spouses who are currently enrolled in an HMO Medicare Advantage Plan through Kaiser Senior Advantage, Health Net or United Healthcare:**

**If you are enrolled in Kaiser Senior Advantage, Health Net or United Healthcare and you also enroll in a Medicare prescription drug plan, you will be automatically disenrolled from your HMO. This would jeopardize your medical coverage with your HMO.**

**If you are disenrolled from your HMO because you enrolled in a Medicare prescription drug plan, you will be moved to the Trust Fund’s Indemnity medical and prescription drug plan** (unless you file an appeal with Kaiser, Health Net or United Healthcare to be re-enrolled in their Medicare Advantage plan).

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

Contact: Contribution Accounting Department

Pensioned Operating Engineers Health and Welfare Trust Fund

Address: 1600 Harbor Bay Pkwy, Suite 200, Alameda, California 94502

Phone Number: 1-800-251-5014

As in all cases, the Pensioned Operating Engineers Health and Welfare Trust Fund reserves the right to modify benefits at any time, in accordance with applicable law. This document dated **October 2022** is intended to serve as your Medicare Notice of Creditable Coverage, as required by law.



## GENERAL STATEMENT OF NONDISCRIMINATION: (DISCRIMINATION IS AGAINST THE LAW)

The Fund’s health care plan complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. The Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex. The Plan:

- a) Provides free aids and services to people with disabilities to communicate effectively with us, such as:
  - Qualified sign language interpreters
  - Written information in other formats (large print, audio, accessible electronic formats, other formats)
- b) Provides free language services to people whose primary language is not English, such as:
  - Qualified interpreters
  - Information written in other languages

If you need these services or believe that the Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Sonya Brown, Fringe Benefits Director, Operating Engineers Local No 3 Trust Funds, 1620 S Loop Road, Alameda, CA 94502, Phone: 510-748-7450, Fax: 510-748-7451, e-mail: [sbrown@mpsainc.org](mailto:sbrown@mpsainc.org). You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, Sonya Brown, Fringe Benefits Director, is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHS Building, Washington, DC 20201, 1-800-868-1019, 800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

### ATTENTION: FREE LANGUAGE ASSISTANCE

This chart displays, in various languages, the phone number to call for free language assistance services for individuals with limited English proficiency.

Language	Message About Language Assistance
1. Spanish	ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-800-532-2105.
2. Chinese	注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 1-800-532-2105.
3. French	ATTENTION : Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1-800-532-2105.

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Language	Message About Language Assistance
4. Italian	ATTENZIONE: In caso la lingua parlata sia l'italiano, sono disponibili servizi di assistenza linguistica gratuiti. Chiamare il numero 1-800-532-2105.
5. German	ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-800-532-2105.
6. Vietnamese	CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-800-532-2105.
7. Persian	توجه: اگر به زبان فارسی گفتگو می کنید، تسهیلات زبانی بصورت رایگان برای شما فراهم می باشد. با 1-800-532-2105 تماس بگیرید.
8. Tagalog	PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1-800-532-2105.
9. Arabic	ملحوظة: إذا كنت تتحدث اذكر اللغة، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 1-800-532-2105.
10. Korean	주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-800-532-2105 번으로 전화해 주십시오.
11. Russian	ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-800-532-2105.
12. Polish	UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer 1-800-532-2105.
13. Japanese	注意事項：日本語を話される場合、無料の言語支援をご利用いただけます。 1-800-532-2105 まで、お電話にてご連絡ください。
14. French Creole (Haitian)	ATANSYON: Si w pale Kreyòl Ayisyen, gen sèvis èd pou lang ki disponib gratis pou ou. Rele 1-800-532-2105.
15. Portuguese	ATENÇÃO: Se fala português, encontram-se disponíveis serviços linguísticos, grátis. Ligue para 1-800-532-2105.