

Carpenters Health and Security Plan of Western Washington

PO Box 1929 Seattle, WA 98111-1929

General Notice of Retiree Coverage Rights

Introduction

One of the more important decisions you will face when you retire is how best to maintain healthcare coverage for you and your family. The Carpenters Health and Security Plan has four options under which eligible retirees may obtain healthcare coverage after retirement. The information below should help you decide which option is best for you and your family. If you have questions or concerns about any of these options, please contact Participant Services at Carpenters Trusts: (800) 552-0635.

COBRA

If you currently have dollar bank eligibility, you may elect COBRA Coverage when your dollar bank eligibility ends. You can then elect Retiree Coverage after your 18 months of COBRA. Please see the enclosed *COBRA Continuation Coverage Election Notice* and the *COBRA Application* for details about COBRA and the current monthly rates. You **must** remain under COBRA until the maximum COBRA period is exhausted unless you become eligible for Medicare at which time you may elect Retiree Coverage.

Retiree Coverage

Retiree Coverage is available to eligible retirees who meet certain requirements at retirement. Retiree Coverage may be a better option for you if you do not qualify for COBRA or if only one person will be covered during retirement. You are eligible for Retiree Coverage if you:

1. Receive a monthly benefit from the Carpenters Retirement Plan of Western Washington, the Washington, Idaho, Montana, Carpenters-Employers Retirement Plan or the Cement Masons and Plasterers Retirement Plan; and
2. Worked at least 7,500 hours (for which employer contributions were received by the Carpenters Health and Security Plan of Western Washington) during the 120 months immediately preceding your retirement date. For disability retirement or, if early retirement was taken because of a disability, you must have worked at least 7,500 hours in the 120 months immediately preceding the date of disability.

There are important differences between dollar bank eligibility and Retiree Coverage. For example, with Retiree Coverage there are no routine vision or dental benefits, and the life insurance benefits for retirees and dependents are lower. If you are eligible for Medicare, Retiree Coverage will not provide coverage for any service or supply not covered by Medicare, including services and supplies received outside the United States. You may want to purchase travel insurance when you travel outside the United States.

Other Group Insurance and Special Enrollment Rights

If you are currently covered by other insurance (for example, your spouse's group coverage through his or her employer), you can remain under that plan and then enroll in Retiree Coverage when the other insurance terminates. To do this, you must complete a *Notice To Decline Coverage Agreement* at this time and return it to Carpenters Trusts. You must then enroll in Retiree Coverage within 60 days after your other coverage ends. There can be no gap in insurance coverage with special enrollment. Please see the enclosed *Agreement* for important details about special enrollment. For the purpose of this process, "other insurance" includes the following:

- Employer-sponsored group health plan
- Medicare Managed Care Plan
- Medicare Supplemental Plan
- Veterans Program
- Medicaid or CHIP
- Indian Health Services or Tribal Organization
- State Health Benefits High Risk Pool
- Federal Employees Health Benefit Program (FEHBP)
- A public health plan established or maintained by a state, a foreign country, the U.S. government or other political subdivision of a state, the U.S. government or foreign country that provides health insurance coverage
- A health benefit plan provided under the Peace Corps Act
- Department of Corrections Health Services-Offender Health Plan

"Other insurance" does **not** include an individual health insurance policy, a state or federal exchange plan or any other insurance not specifically listed above.

Medicare

When you or a dependent becomes eligible for Medicare, Medicare is the primary payor of claims, even if you or your dependent did not properly enroll in Medicare. Here are a few rules related to Medicare eligibility:

Part A Medicare

- Whether you are working or retired, you are eligible for Part A benefits at age 65 if you are entitled to monthly Social Security or railroad retirement benefits, are insured under Social Security or railroad retirement, or have worked long enough in federal, state, or local government employment to be insured for Medicare purposes. Your spouse, at age 65, is also eligible.
- Generally, if you are age 65 or over and filed an application and established entitlement to a monthly Social Security benefit or railroad retirement benefit, you do not need to file an additional application for Medicare Part A. If you are eligible for Social Security benefits

but have attained age 65 without applying for those benefits, you must file an application to establish your eligibility for Medicare.

Part B Medicare

- All persons enrolled in Part A benefits are automatically entitled to Part B benefits and must file a written request for enrollment with Social Security during an enrollment period. You must also request enrollment if you are eligible to enroll in Part B but are not automatically entitled (i.e., because you are not enrolled in Part A or reside in Puerto Rico). You can reject coverage (unless you have voluntarily enrolled in Part A) by filing a notice that you do not wish to be enrolled. If you file the notice after coverage has become effective, termination will take effect at the end of the next month.
- If you reject coverage initially or after being enrolled, you may enroll or reenroll in January through March of each year; coverage is effective in July of that year. However, the premiums you pay may be higher if you enroll after you rejected coverage unless you are age 65 or older and covered by an employer's group health plan. **Important:** Under the Carpenters Health and Security Plan, dollar bank eligibility is **not** considered an "employer's group health plan" after you retire.

In all situations, the Carpenters Health and Security Plan processes claims as if you were enrolled in Medicare Part A and Part B even if you are not. Please send us a copy of your and your spouse's Medicare card when you become enrolled in Medicare.

SecureHorizons Medicare Advantage Plan

If you or a dependent is eligible for Medicare and live in the SecureHorizons service area, you may be eligible for SecureHorizons. SecureHorizons is a Medicare Advantage Plan that provides services and supplies otherwise covered by Medicare, as well as prescription drugs, routine vision care, and dental care. Coverage under the SecureHorizons Medicare Advantage Plan also entitles an individual to life insurance benefits offered under Retiree Coverage and credit toward the 12-month waiting period under the transplant benefit. Please contact Retirement Services at Carpenters Trusts for additional information including an enrollment package.

Questions?

Please contact Participant Services at Carpenters Trusts if you have any questions regarding your health care options at retirement.

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