



INDIANA LABORERS WELFARE FUND

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www.indianalaborers.org

October 2015

To All Participants of the
Indiana Laborers Welfare Fund

ANNUAL NOTICE REGARDING MEDICARE PRESCRIPTION COVERAGE

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a Federal law gives you more choices about your prescription drug coverage. Please see the following pages for more details.

Dear Participant:

Do you know that your plan, as required by the **Women's Health and Cancer Rights Act** of 1998, provides benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema? Contact the Fund Office for more information.

Statement Regarding Status as a Grandfathered Health Plan

This group health plan believes this Plan is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Fund Office at 1-800-962-3158. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

If you have any questions regarding these changes, please contact the Fund Office at 1-800-962-3158.

Sincerely,

Board of Trustees

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Administrative Manager



**Important Notice from
Indiana Laborers Welfare Fund
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 Indiana Laborers Welfare Fund and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not 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. Indiana Laborers Welfare Fund has determined that the prescription drug coverage offered by the Indiana Laborers Welfare Fund is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th.

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 drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Indiana Laborers Welfare Fund coverage will be affected.

You will no longer be eligible for Prescription coverage through the Plan.

If you do decide to join a Medicare drug plan and drop your current Indiana Laborers Welfare Fund coverage, be aware that you and your dependents may not be able to get this coverage back.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with Indiana Laborers Welfare Fund and don't join a Medicare drug 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 prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the person listed below for further information. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Indiana Laborers 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 is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of 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.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage 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).

Date: October 2015
Name of Entity/Sender: Indiana Laborers Welfare Fund
Contact--Position/Office: Janetta England, Administrator
Address: 413 Swan Street
Terre Haute, IN 47807
Phone Number: (800) 962-3158

Indiana Laborers Health Care Fund: Classes A, AS, and S **Coverage Period: 12/01/2015 – 11/30/2016**
Summary of Benefits and Coverage: What this Plan Covers & What it Costs **Coverage for: Employees & Dependents | Plan Type: PPO**



This is only a summary. If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at www.indianalaborers.org or by calling 1-800-962-3158.

Important Questions	Answers	Why this Matters:
What is the overall <u>deductible</u> ?	In-Network: \$300 ind./ \$600 family; Out-of-Network: \$600 individual (no family limit). Doesn't apply to In-Network preventative health or dental care.	You must pay all the costs up to the <u>deductible</u> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <u>deductible</u> starts over (usually, but not always, January 1 st). See the chart starting on page 2 for how much you pay for covered services after you meet the <u>deductible</u> .
Are there other <u>deductibles</u> for specific services?	Yes. Dental Care - \$25 ind./ \$75 family. There are other specific <u>deductibles</u> .	You must pay all of the costs for these services up to the specific <u>deductible</u> amount before this plan begins to pay for these services.
Is there an <u>out-of-pocket limit</u> on my expenses?	Yes. In-Network: \$3,000 ind./ \$6,000 family; Out-of-Network: No Limit .	The <u>out-of-pocket limit</u> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.
What is not included in the <u>out-of-pocket limit</u> ?	Premiums, <u>deductibles</u> balance-billed charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes <i>specific</i> coverage limits, such as limits on the number of office visits.
Does this plan use a network of providers?	Yes. For a list of network providers, see www.bcbs.com , or call Fund Office at 800-962-3158.	If you use an in-network doctor or other health care provider, this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network provider for some services. Plans use the term in-network, preferred, or participating for providers in their network. See the chart starting on page 2 for how this plan pays different kinds of providers.
Do I need a referral to see a specialist?	No. You don't need a referral to see a specialist.	You can see the specialist you choose without permission from this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 6. See your policy or plan document for additional information about excluded services.

Questions: Call 1-800-962-3158 or visit www.indianalaborers.org.

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at www.ccio.cms.gov or call 1-800-962-3158 to request a copy.

Indiana Laborers Health Care Fund: Classes A, AS, and S Coverage Period: 12/01/2015 – 11/30/2016
Summary of Benefits and Coverage: What this Plan Covers & What it Costs Coverage for: Employees & Dependents | Plan Type: PPO



- **Copayments** are fixed dollar amounts (for example, \$15) you pay for covered health care, usually when you receive the service.
- **Coinsurance** is *your* share of the costs of a covered service, calculated as a percent of the **allowed amount** for the service. For example, if the plan's **allowed amount** for an overnight hospital stay is \$1,000, your **coinsurance** payment of 20% would be \$200. This may change if you haven't met your **deductible**.
- The amount the plan pays for covered services is based on the **allowed amount**. If an out-of-network **provider** charges more than the **allowed amount**, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the **allowed amount** is \$1,000, you may have to pay the \$500 difference. (This is called **balance billing**.)
- This plan may encourage you to use **In-Network providers** by charging you lower **deductibles**, **copayments** and **coinsurance** amounts.

Common Medical Event	Services You May Need	Your Cost If You Use an In-Network Provider	Your Cost If You Use an Out-of-Network Provider	Limitations & Exceptions
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	25% co-insurance	50% co-insurance	-----none-----
	Specialist visit	25% co-insurance	50% co-insurance	-----none-----
	Other practitioner office visit	25% co-insurance	50% co-insurance	Chiropractic care limit \$1,000 per person per Plan Year. Initial office visits and x-rays do not apply to limit. Does not include any exams relating to employment or transportation. Each Plan Year: One Physical Exam, 1 Pap Smear, and 1 PSA test; Mammogram – Age 40-49, 1 every 2 Plan Years, Age 50+ 1 per Plan Year; Lung Screening – Age 55-80 w/hx of smoking 1 per Plan year; Colorectal Cancer Screening – Age 50+ 1 sigmoidoscopy every 5 Plan Years, and 1 colonoscopy every 5 Plan Years In Network Only age 50+; Well Child – birth to 36 months all routine well child visits and immunizations; all Adult and Childhood Immunizations (excluding travel). Not subject to deductible .
If you have a test	Diagnostic test (x-ray, blood work)	25% co-insurance	50% co-insurance	-----none-----
	Imaging (CT/PET scans, MRIs)	25% co-insurance	50% co-insurance	Pre-certification is required.

Indiana Laborers Health Care Fund: Classes A, AS, and S Coverage Period: 12/01/2015 – 11/30/2016
Summary of Benefits and Coverage: What this Plan Covers & What it Costs Coverage for: **Employees & Dependents** | Plan Type: **PPO**

Common Medical Event	Services You May Need	Your Cost If You Use an In-Network Provider	Your Cost If You Use an Out-of-Network Provider	Limitations & Exceptions
<p>If you need drugs to treat your illness or condition</p> <p>More information about prescription drug coverage is available at 1-800-228-3108</p>	Generic drugs	Retail, 30 day supply – 20% (\$10 min/\$20 max) Mail Order & Approved Retail, 90 day supply – 15% (\$25 min/\$50 max)	Not Covered	Not subject to deductible .
	Formulary brand drugs	Retail, 30 day supply – 30% (\$20 min/\$40 max) Mail Order & Approved Retail, 90 day supply – 25% (\$50 min/\$100 max)	Not Covered	Not subject to deductible . For Brand Name prescription drugs the Fund will only pay what it would have paid for the medically-equivalent generic.
	Non-formulary brand drugs	Retail, 30 day supply – 40% (\$40 min/\$80 max) Mail Order & Approved Retail, 90 day supply – 35% (\$100 min/\$200 max)	Not Covered	Not subject to deductible . For Brand Name prescription drugs the Fund will only pay what it would have paid for the medically-equivalent generic.
	Specialty drugs	Mail Order Only, Up to 30 day sup: Generic – 15% (\$8 min/\$16 max); Formulary Brand – 25% (\$16 min/\$33 max); Non-Form. Brand – 35% (\$40 min/\$80 max).	Not Covered	Not subject to deductible . Max 30 day supply. For Brand Name prescription drugs the Fund will only pay what it would have paid for the medically-equivalent generic.

Indiana Laborers Health Care Fund: Classes A, AS, and S Coverage Period: 12/01/2015 – 11/30/2016
Summary of Benefits and Coverage: What this Plan Covers & What it Costs Coverage for: **Employees & Dependents** | Plan Type: **PPO**

Common Medical Event	Services You May Need	Your Cost If You Use an In-Network Provider	Your Cost If You Use an Out-of-Network Provider	Limitations & Exceptions
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	25% co-insurance	50% co-insurance	Precertification is required
	Physician/surgeon fees	25% co-insurance	50% co-insurance	Precertification is required
If you need immediate medical attention	Emergency room services	25% co-insurance	50% co-insurance	\$50 deductible per person per visit unless life threatening sickness, accident, or inpatient admission.
	Emergency medical transportation	25% co-insurance	50% co-insurance	-----none-----
	Urgent care	25% co-insurance	50% co-insurance	-----none-----
If you have a hospital stay	Facility fee (e.g., hospital room)	25% co-insurance	50% co-insurance	No Friday or Saturday admissions unless emergency, scheduled surgery within 24 hours, or Medically Necessary per doctor. Precertification is required.
	Physician/surgeon fee	25% co-insurance	50% co-insurance	Precertification is required.
If you have mental health, behavioral health, or substance abuse needs	Mental/Behavioral health outpatient services	25% co-insurance	50% co-insurance	Must be supervised/performed by MD. Precertification is required.
	Mental/Behavioral health inpatient services	25% co-insurance	50% co-insurance	Must be supervised/performed by MD. Precertification is required.
	Substance use disorder outpatient services	25% co-insurance	50% co-insurance	Must be supervised/performed by MD. Precertification is required.
	Substance use disorder inpatient services	25% co-insurance	50% co-insurance	Must be supervised/performed by MD. Precertification is required.
If you are pregnant	Prenatal and postnatal care	25% co-insurance	50% co-insurance	Dependent children are not covered.
	Delivery and all inpatient services	25% co-insurance	50% co-insurance	Precertification is required. Dependent children are not covered.

Indiana Laborers Health Care Fund: Classes A, AS, and S Coverage Period: 12/01/2015 – 11/30/2016
Summary of Benefits and Coverage: What this Plan Covers & What it Costs Coverage for: **Employees & Dependents** | Plan Type: **PPO**

Common Medical Event	Services You May Need	Your Cost If You Use an In-Network Provider	Your Cost If You Use an Out-of-Network Provider	Limitations & Exceptions
If you need help recovering or have other special health needs	Home health care	25% co-insurance	50% co-insurance	Precertification is required.
	Rehabilitation services	25% co-insurance	50% co-insurance	Precertification is required.
	Habilitation services	Not Covered	Not Covered	Not Covered
	Skilled nursing care	25% co-insurance	50% co-insurance	Precertification is required.
	Durable medical equipment	25% co-insurance	50% co-insurance	Precertification is required.
	Hospice service	25% co-insurance	50% co-insurance	Precertification is required.
If your child needs dental or eye care	Eye exam	No charge	No charge up to \$35	One examination per calendar year.
	Glasses	Frames: No co-insurance for Davis Vision's Collection (up to \$175) OR \$130 allowance toward any frame plus 20% off balance. Lenses: No charge	Frames: No charge up to \$80; Lenses: No charge up to \$55 for single lenses.	Limited to once per 24 months. Additional benefits available for contacts, bifocals, etc.
		Dental check-up	10% co-insurance	10% co-insurance

Indiana Laborers Health Care Fund: Classes A, AS, and S

Coverage Period: 12/01/2015 – 11/30/2016

Summary of Benefits and Coverage: What this Plan Covers & What it Costs Coverage for: Employees & Dependents | Plan Type: PPO

Excluded Services & Other Covered Services:

Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)

- Acupuncture (unless as an anesthetic for covered surgery)
- Habilitation Services
- Routine Foot Care
- Bariatric surgery
- Long Term Care
- Weight loss programs
- Cosmetic surgery (unless medically necessary)
- Non-emergency care when traveling outside the U.S.
- Infertility treatment
- Private Duty nursing

Other Covered Services (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)

- Chiropractic Care
- Hearing Aids
- Dental Care (Adult)
- Routine eye care (Adult)

Special Notice for Class AS and Class S: There are no Maternity or Newborn benefits provided for Class AS and Class S participants.

Your Rights to Continue Coverage:

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a **premium**, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply.

For more information on your rights to continue coverage, contact the plan at 1-800-962-3158. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or www.dol.gov/ebsa, or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or www.cciio.cms.gov.

Your Grievance and Appeals Rights:

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to **appeal** or file a **grievance**. For questions about your rights, this notice, or assistance, you can contact: the Fund Office at 1-800-962-3158 or the Department of Labor's Employee Benefits Security Administration at 1-866-444-3272 or www.dol.gov/ebsa/healthreform.

Does this Coverage Provide Minimum Essential Coverage?

The Affordable Care Act requires most people to have health care coverage that qualifies as "minimum essential coverage." **This plan or policy does provide minimum essential coverage.**

Does this Coverage Meet the Minimum Value Standard?

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). **This health coverage does meet the minimum value standard for the benefits it provides.**

_____ To see examples of how this plan might cover costs for a sample medical situation, see the next page.

About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.

This is not a cost estimator.

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.

See the next page for important information about these examples.

Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$5,120
- Patient pays \$2,420

Sample care costs:

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
Total	\$7,540

Patient pays:

Deductibles	\$600
Copays	\$0
Coinsurance	\$1,670
Limits or exclusions	\$150
Total	\$2,420

Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$3,880
- Patient pays \$1,520

Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
Total	\$5,400

Patient pays:

Deductibles	\$300
Copays	\$0
Coinsurance	\$1,140
Limits or exclusions	\$80
Total	\$1,520

Questions and answers about the Coverage Examples:

What are some of the assumptions behind the Coverage Examples?

- Costs don't include **premiums**.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network **providers**. If the patient had received care from out-of-network **providers**, costs would have been higher.

What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how **deductibles**, **copayments**, and **coinsurance** can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

Can I use Coverage Examples to compare plans?

- ✓ **Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

Does the Coverage Example predict my own care needs?

- ✗ **No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

Does the Coverage Example predict my future expenses?

- ✗ **No.** Coverage Examples are **not** cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your **providers** charge, and the reimbursement your health plan allows.

Are there other costs I should consider when comparing plans?

- ✓ **Yes.** An important cost is the **premium** you pay. Generally, the lower your **premium**, the more you'll pay in out-of-pocket costs, such as **copayments**, **deductibles**, and **coinsurance**. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

Questions: Call **1-800-962-3158** or www.indianalaborers.org.

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at www.cchio.cms.gov or call **1-800-962-3158** to request a copy.

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