

February 2013

**TO: All Retiree Participants**  
AFL Hotel and Restaurant Workers Health and Welfare Trust Fund

**FROM:** Board of Trustees

**SUBJECT: Self-Funded Comprehensive Medical Plan, Self-Funded Prescription Drug Plan, Gentle Dental Plan, and Medicare Part D Premium Reimbursement for 2013**

The Board of Trustees, at their meeting of January 10, 2013, adopted the following changes:

**I. Self-Funded Comprehensive Medical Plan – Psychological Testing Benefit (Retirees Under 65)**

**Effective January 1, 2010**, the Self-Funded Comprehensive Medical Plan implemented benefit changes in accordance with the Mental Health Parity and Addiction Equity Act of 2008, a Federal law that requires parity with respect to financial requirements and treatment limitations between mental health or substance abuse disorder benefits and medical/surgical benefits. Therefore, the psychological testing benefit has changed as follows:

The psychological testing benefit is 90% of Eligible Charges for outpatient services of a Participating Provider and 80% of Eligible Charges for services of a Non-Participating Provider, effective January 1, 2010. *If you had a claim for psychological testing services on or after January 1, 2010, please contact the Trust Fund Office if you have any questions.*

**II. Self-Funded Prescription Drug Plan (Retirees Under 65)**

**Effective April 1, 2013**, Prior Authorization will be required for all oral specialty medications.

Specialty Medications are those that typically meet the following criteria:

- Used for distinct chronic conditions such as rheumatoid arthritis, multiple sclerosis, and cancer;
- Are high cost (> \$1,200 per month);
- Require special handling and administration;
- May require a unique management; or

- May have an FDA-mandated Risk Evaluation and Mitigation Strategy (REMS) program in place that requires more intense support, such as physician certifications, diagnostic results, physician/pharmacist training, and/or other requirements that must be met prior to dispensing.

Specialty Medications include, but are not limited to, oral chemotherapy, growth hormones, specialty pain medications, etc.

Please contact the Catamaran National Help Desk at 1 (888) 869-4600 to request a Prior Authorization. Catamaran can be reached 24 hours a day, 7 days a week with any questions or concerns.

### **III. Gentle Dental Plan**

**Effective January 1, 2013**, the office visit copay will increase from \$10 to \$11 for Actives and Retirees under the Gentle Dental Plan.

### **IV. Medicare Part D Premium Reimbursement (For Retirees and Spouses Residing Outside the State of Hawaii)**

For calendar year 2013, the Trustees approved to continue the Medicare Part D premium reimbursement **up to** \$32.34 per month on a quarterly basis.

If your spouse is eligible for Medicare and also enrolls in an approved Medicare Part D Plan, the Trust Fund will reimburse you for your spouse's Medicare Part D premium **up to** \$32.34 per month for calendar year 2013, on a quarterly basis.

**Reminder:** In order for you to receive this reimbursement, you must submit the following documentation to the Trust Fund:

1. A copy or description of the approved Medicare Part D Prescription Drug Plan in which you (or your spouse) are enrolled;
2. Confirmation of your enrollment (or your spouse's enrollment) in the Medicare Part D Prescription Drug Plan;
3. Proof of payment for your Medicare Part D Prescription Drug premium (i.e. receipt from insurance carrier, copy of cancelled check or money order, etc.); and
4. A completed "Application for Out-of-State Medicare Part D Premium Reimbursement" form, which is available upon request from the Trust Fund Office (see attached).

**Important Note:** If you do not provide all the required documentation, the Trust Fund will not make any reimbursement payment to you.

Should you have any questions on the above changes or need assistance with your coverage, please contact the Trust Fund Office at 523-0199, or for neighbor islands, call toll free at 866-772-8989.

*Disclosure of Grandfathered Status*

*The Trust Fund believes its group health plans are “grandfathered health plans” 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 plan administrator, Benefit & Risk Management Services, Inc., at 560 North Nimitz Highway, Suite 209, Honolulu, Hawaii 96817-5315 or 1-808-523-0199. 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](http://www.dol.gov/ebsa/healthreform). This website has a table summarizing which protections do and do not apply to grandfathered health plans.*