

January, 2012

**TO: Active Participants under the Hotel Bargaining Unit &
All Retired Participants under Age 65**
AFL Hotel & Restaurant Workers Health & Welfare Trust Fund

FROM: Board of Trustees

**SUBJECT: Self-Funded Comprehensive Medical Plan, 2012 Kaiser Plan
Changes, Self-Funded Vision Care Program, and Medicare Part D
Premium Reimbursement**

The Board of Trustees, at their meeting of January 12, 2012, adopted the following changes:

I. Self-Funded Comprehensive Medical Plan

Effective January 1, 2012, the Annual Maximum Dollar Limit for essential benefits under the Self-Funded Comprehensive Medical Plan has increased from \$750,000 to \$1,250,000 per individual, in accordance with the Patient Protection and Affordable Care Act.

II. 2012 Kaiser Plan Changes

Effective March 1, 2012, the following benefit copays for the Kaiser Plan for Actives and Retirees under age 65 have increased as follows:

1. Office Visit	\$18.00 copayment per visit (formerly \$15.00)
2. Outpatient Lab and X-Ray	\$18.00 copayment per department, per day (formerly \$15.00)
3. Supplemental Charges Maximum	\$2,900 per person and \$8,700 per family of 3 or more (formerly \$2,500 per person and \$7,500 per family)

You may contact Kaiser Permanente or the Trust Fund Office about these changes and your coverage which are subject to the provisions of the Group Medical and Hospital Service Agreement. These documents are on file with the AFL Hotel & Restaurant Workers Health and Welfare Trust Fund Office. For details on extra services that are not part of the health plan, please refer to Kaiser Permanente's website and individual mailings.

III. Self-Funded Vision Care Program

Effective March 1, 2012, the following vision care provider will become a participating provider under the Self-Funded Vision Care Program. The name, address, phone number, and type of services available for the provider are as follows:

<u>Provider's Name and Address</u>	<u>Services Available</u>
May's "Mobile Express" Homecare Optical 23 Kuapapa Place Kihei, Hawaii 96753 Phone: (808) 269-6050	Eye Glasses and Contact Lenses

Please note that the above provider is an optician only, and her services are limited to supplying lenses and frames.

You are free to use any licensed vision care provider of your choice and receive the Trust Fund's allowances for covered services and supplies. However, by receiving services and supplies from a participating provider, you limit your out-of-pocket costs for covered services. For a complete list of participating vision care providers, please contact the Trust Fund Office.

FOR RETIREES AND SPOUSES OUTSIDE THE STATE OF HAWAII ONLY

IV. Medicare Part D Premium Reimbursement

For calendar year 2012, 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 2012, 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 Grandfathers 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 (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. This Web site has a table summarizing which protections do and do not apply to grandfathered health plans.