

December, 2015

TO: All Retirees and Spouses Residing Outside the State of Hawaii
AFL Hotel and Restaurant Workers Health & Welfare Trust Fund

FROM: Board of Trustees

SUBJECT: Medicare Part D Premium Reimbursement for 2016

For calendar year 2016, the Board of Trustees, at their meeting of December 16, 2015, approved to increase the Medicare Part D premium reimbursement up to \$34.10 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 \$34.10 per month, for calendar year 2016, on a quarterly basis.

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

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

Important Note: If you do not provide all required documentation to the Trust Fund Office, no reimbursement will be made.

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. This website has a table summarizing which protections do and do not apply to grandfathered health plans.