

December 2015

TO: All Out of State Retirees and Spouses
Hawaii Teamsters Health and Welfare Trust Fund

FROM: Board of Trustees

SUBJECT: 2016 Medicare Reimbursement and HMSA Akamai Advantage

I. 2016 Medicare Reimbursement

Effective January 1, 2016, the Medicare Reimbursement rate will be **\$63.44** for Medicare (Medical coverage) and **\$34.10** for Medicare Part D. Attached is a copy of the reimbursement forms for you to complete and submit accordingly

II. HMSA Akamai Advantage

Effective January 1, 2016, HMSA Akamai Advantage will be made available to those retirees and spouses residing outside the state of Hawaii. Before making a decision, please ensure that your provider participates with the Blue Cross Blue Shield network. To obtain this information please do the following:

1. Go online to www.bcbs.com;
2. Click on "Find a Doctor";
3. Enter "XLL" in the "Already a Member" box;
4. In "Choose Your Network" box, select Medicare Advantage PPO;
5. In the "Select a Plan" box, choose a plan;
6. You can search by specialty; and
7. In the "Location" box, enter the area where you are living.

The Akamai Advantage Plan is available to members that reside in the other 49 states and Puerto Rico, not all have providers that participate in their state's Advantage Plan. It is important to ensure that your provider is participating with Medicare for benefits to be processed accordingly. Because Akamai Advantage is a Medicare Advantage Plan, Medicare rules are followed.

In summary there will be two (2) Medical options available. As a retiree or spouse you can do the following:

1. **Continue your coverage with your current Medicare provider and receive the premium reimbursement at the approved levels; or**
2. **At no premium cost to you, switch over to the HMSA Akamai Advantage Plan, your customary Medicare co-pays will be applicable.**

If you wish to switch over to the HMSA Akamai Advantage Plan, a new enrollment form will need to be completed before **December 31, 2015**. Please contact our office for a form or if you have any questions regarding the new Benefit being offered to you.

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.