



MEDICARE ENROLLMENT REQUIREMENT

THIS IS AN IMPORTANT NOTICE ABOUT THE NATIONAL IAM BENEFIT TRUST FUND (“PLAN”) REQUIREMENT THAT YOU ENROLL FOR MEDICARE PARTS A AND B AS SOON AS YOU BECOME ELIGIBLE FOR MEDICARE COVERAGE.

Medicare is the Federal Government’s Health Insurance Program for people 65 years of age and older, some disabled people under 65 years of age, and people with End-Stage Renal Disease (permanent kidney failure treated with dialysis or a transplant). Medicare Part A covers inpatient hospital care and is generally available to all individuals over age 65 at no cost. Medicare Part B covers doctor services, outpatient hospital services, and other medical supplies, and is optional. You must pay a monthly premium for Medicare Part B.

The coordination of benefits provision of the Plan states that if a covered person is **eligible** for Medicare, Medicare will be the principal plan (the plan that pays first) except where the law requires the Plan to be the principal plan. The Plan requires that you enroll in Medicare when Medicare would otherwise become your principal plan.

Medicare is the principal plan for:

- Retired employees and their dependents who are eligible for Medicare due to age;
- Other employees and their dependents who are eligible for Medicare due to age, whose coverage under the Plan is no longer the result of current or active employment;
- Employees and their dependents who are eligible for Medicare due to disability, other than End-Stage Renal Disease, whose coverage under the Plan is no longer the result of current or active employment; and
- Disabled employees or dependents who are eligible for Medicare solely due to End-Stage Renal Disease, following the initial 30-month coordination period (the Plan pays first for a 30-month period from the start of Medicare eligibility, then Medicare becomes primary).

When Medicare is the principal plan, its benefits will be taken into account in determining any benefits to be paid under the Plan as follows:

The benefits of Medicare Parts A and B will be taken into account whether or not the covered person has enrolled.

If you do not enroll for Medicare when eligible, the benefits of Medicare Parts A and B will be estimated and benefits under the Plan will be reduced to the extent that benefits would have been paid had you enrolled for Medicare. **You will be responsible for payment of the portion that Medicare would have paid if you had enrolled.** In addition, if you are enrolled for Medicare and elect to use a provider who does not participate in Medicare, the benefits of Medicare Parts A and B will be estimated and the benefits under the Plan will be reduced to the extent that benefits would have been paid had your provider been a Medicare participating provider. **Again, you will be responsible for payment of the portion that Medicare would have paid if you had enrolled.**

If you choose not to sign up for Medicare Part B when you are first eligible, you must sign up within eight months after your actively-working status ends or when your employment ends, whichever is first. If you don't sign up for Medicare Part B during the initial eight-month period, you will only be able to sign up during the General Enrollment Period and the cost of Medicare Part B may go up. In addition, the Plan will start estimating Medicare benefits as soon as your status changes. In either case, to avoid any reduction in Plan benefits, the best time to sign up for Medicare Part B is **before** your status changes or your employment ends.

In order to avoid increased Medicare Part B premiums when you ultimately sign up, please contact the Fund Office to obtain a **HIPAA Certificate of Creditable Coverage**. This can be used to prove to Medicare that you had coverage through the Plan and explain why you did not enroll in Medicare Part B when you were first eligible. It may allow Medicare to waive any late enrollment fees.

Important Note – You are **NOT** required to enroll for Medicare Part D Prescription Drug Coverage. Most people are required to pay a premium for Part D coverage; however, your prescription drug benefits under the Plan meet or exceed the Medicare coverage. Please review your options carefully to make a well-informed decision about your Prescription Drug Coverage. If you choose to enroll for Medicare Part D, your Prescription Drug Coverage under the Plan will cease.

It is the goal of the Fund Office to ensure that all participants receive the maximum benefits that are available under the Plan when necessary, and that they not be subjected to benefit reduction due to lack of knowledge or misunderstanding about what the Plan provides. If you have any questions about the information in this memo, or about any other Plan benefit, please feel free to contact the Fund Office at 1-800-457-3481 for assistance. Thank you.