

Cement Masons Benefit Bulletin

Assisting you in understanding your benefits

Attention
Active Direct Payment Plan



On September 1, 2011, we introduced three important changes to encourage you to use your benefits more efficiently:

Program Change #1: Care Counseling

We introduced a new program called Care Counseling. Before you get non-emergency treatment outside of your primary doctor's office, you need to take the simple step of calling a Care Counselor. (Primary doctors include family/general practice physicians, internists, pediatricians, and OB-GYNs.)

The Care Counseling program is provided through Pacific Health Alliance (PHA). Your conversations with a Care Counselor are completely confidential.

Program Change #2: Using an Anthem Blue Cross "Designated Hospital" for Routine Total Hip Replacement or Total Knee Replacement Surgery

You have a big incentive to use an Anthem Blue Cross "Designated Hospital" for routine total hip replacement or total knee replacement surgery. If you need total hip or total knee replacement surgery, work with an Anthem Blue Cross designated hospital.

The Designated Hospitals are contracting with your benefit Trust Fund to charge no more than \$30,000 for these surgeries. This will become the maximum charge allowed for these surgeries.

Program Change #3: Formulary List -Incentive for Use of Generic/Lower Cost Prescription Drugs

In September, the Trust Fund introduced a new list of covered drugs. (The covered drug list is known as a "formulary list.") The new formulary list will include the most cost-effective drugs for treating various classes of conditions and illnesses—for example, drugs to lower cholesterol, drugs to treat allergies, and drugs for diabetes. The list will include mostly generic medications and some cost-effective brand name medications.

Use generic/lower cost prescription drugs whenever appropriate.

Three changes effective September 1, 2011 are:

- **Care Counseling** Benefit for non-emergency treatment outside of your primary doctor's office
- Routine Hip or Knee Replacement Surgery – Use of Anthem Blue Cross **Designated Hospitals**.
- New custom **Formulary** for Prescription Drugs.



Should you have questions, refer to the back side of this Bulletin where you will find the Health Benefit Program Directory that lists the contact information for each Benefit Program.

Included with this issue:

- Custom Formulary of Prescription Drugs Announcement
- Designated Hospitals Announcement
- Medicare Part D - Creditable Coverage Notice

Emergency Room vs. Urgent Care Center

Active Direct Payment Plan Participants

By visiting a Participating Provider Organization (PPO) instead of a NON-PPO, you save money. You can save additional money by visiting an Urgent Care Center instead of the Emergency Room (ER) for a non life-threatening situation.

Example:

John Mason takes his daughter to the ER to treat strep throat. The Urgent Care Center cost is less than the cost of the Emergency Room.

Trust Fund Pays →	Urgent Care: PPO 80%	ER: PPO 80%	ER: Non-PPO 80%*
Visit Charge	\$820	\$3,870	\$5,870
PPO Rate	\$620	\$3,290	N/A
Copayment	\$ 20	\$ 100	\$ 100
Deductible	\$150	\$ 150	\$ 150
Balance	\$450	\$3,040	\$5,620
Coinsurance	\$ 90	\$ 608	\$1,124
John's Cost	\$260	\$ 858	\$1,374

Whenever possible, visit an Urgent Care Center to treat an illness or minor injury and save money. To find a local cost effective Urgent Care Center, call the Care Counseling Benefit listed in the Directory or go online to search at: <http://www.meemolabs.com/wellpoint/ca.php>



In the case of life-threatening situations such as heart attack, stroke, poisonings and appendicitis, visit the Emergency Room.

*Effective September 1, 2011, the Trust Fund Pays 80%

Statement of Account - Determining Eligibility

Active Participants

Later this month, the Trust Fund Office will mail a Statement of Account to each Active Cement Masons whose employers reported hours during the six-month work period beginning February 1, 2011 and ending July 31, 2011.

The Statement of Account is one of the most important documents mailed to you. The Statement is a record of the hours you worked which were reported and paid by your employers. These hours establish your eligibility of health and welfare benefits, pension credits and benefit accruals, and vacation-holiday dollars.

Verify the hours worked and reported. If you find an error on the statement, call the Accounts Receivable Department at the Trust Fund Office.

DISCLAIMER

The Benefit Bulletin's purpose is to provide you and your family with information about the various benefits available and how to effectively use those benefits. There are exclusions and limitations in all Plans and you should carefully read those Plan Rules and Regulations. Health and Welfare Plan rules should be reviewed before seeking medical attention. Your rights as a Plan Participant or Beneficiary can only be determined by consulting the Rules and Regulations of the Plans.

CUT AND KEEP THIS DIRECTORY

Health Benefit Program Directory

Trust Fund Office

Eligibility

888-245-5005

Toll-free number within the 46 counties of Northern California
www.norcalcementmasons.org

Anthem Blue Cross

Prudent Buyer Plan

Pre-Admit Utilization Review

Participant Claim Inquiries

800-274-7767

Find a Doctor

www.anthem.com/ca

Search for an Urgent Care Center

<http://www.meemolabs.com/wellpoint/ca.php>

Care Counseling Benefit

855-754-7271

Prescription Solutions

Pharmacy Help Line

800-797-9791

Mail Order Service

800-562-6223

Request for Prior Authorization

Physicians ONLY

800-711-4555

www.rx.solutions.com

Dental Plans

Delta Dental (PPO)

800-765-6003

www.deltadentalins.com

DeltaCare USA (HMO)

800-422-4234

www.deltadentalins.com

Pacific Union Dental (HMO)

800-999-3367

www.pacificuniondental.com

Vision Service Plan

800-877-7195

www.vsp.com

Kaiser Permanente

800-464-4000

www.kaiserpermanente.org

IMPORTANT ANNOUNCEMENT

Insert with the September, 2011 Bulletin

Date: September 15, 2011

TO: All Active Direct Payment Plan Employees and Eligible Dependents

RE: Healthy Structures, Your Tools for a Smart Finish Program

In July and August, Active Employees were sent various informational flyers, with the last mailing on August 30th. The flyers announced a new Program, called "**Healthy Structures, Your Tools for a Smart Finish**" and outlined three upcoming changes to the **Active Direct Payment Plan: (1) a new Care Counseling Benefit; (2) a new custom Prescription Drug Formulary, and (3) Designated Hospitals for Routine Total Hip or Knee Replacement Surgery.**

We briefly outlined the new **Care Counseling Benefit** as an article in the September, 2011 Cement Masons bulletin; the other two changes are being repeated from the July and August flyers in two separate **Important Announcements** and are included as inserts with the September, 2011 Bulletin.

ROUTINE TOTAL HIP OR TOTAL KNEE REPLACEMENT SURGERY
Insert #11 to the September, 2007 Health and Welfare Plan Booklet

Effective **September 1, 2011**, the maximum that will be allowed for **inpatient hospitalization charges** for routine total hip or total knee replacement surgery is **\$30,000**. The professional **surgical** fees are separate.

There are **currently** 46 Anthem Blue Cross **Designated Hospitals** throughout California where it has been determined that the negotiated hospital fees are **\$30,000 or less**. Call Care Counseling at the telephone number below for the most **recent list of Designated Hospitals**.

When you call **Care Counseling at 1(855) 754-7271**, they will coordinate your care for the referral to the specialist and if you do need to have a routine total hip or total knee replacement, they will help you navigate through the process where you will be saving the most money on your share of cost for the surgery.

While you can use any Anthem Blue Cross Prudent Buyer Plan participating hospital, only those currently **Designated Hospitals have a negotiated contract rate that is no more than \$30,000 for the hospitalization fees**. If you chose a hospital other than one of the Anthem Blue Cross **Designated Hospitals**, you will pay any amount over the **\$30,000** maximum in addition to your coinsurance.

Designated Hospitals may change from time-to-time. Call the Care Counselor for the most up-to-date information about Designated Hospitals.

If you need to travel more than 50 miles to use a **Designated Hospital**, you may be reimbursed for up to \$750 for mileage, hotel expense, and meals. Any amount you receive is reportable income on your taxes; the Trust Fund will provide you with a Form 1099 at tax time; you should keep a record of your mileage and your receipts for income tax purposes.

If you do not use the services of a **Care Counselor**, you may experience higher out-of-pocket costs on your surgery or any other non-emergency services.

If you have questions, call the Trust Fund Office, Monday through Friday, 8:00 AM to 5:00 PM or a Care Counselor at **1-855-754-7271 Monday through Thursday, 7:00 AM to 7:00 PM and Friday, 7:00 AM to 5:00 PM.**

Sincerely,
Board of Trustees

Cement Masons Health and Welfare Trust Fund for Northern California
220 Campus Lane Fairfield, CA 94534-1499
1 (707) 864-3300 or 1 (888) 245-5005 • www.norcalcementmasons.org

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CHANGE IN THE PRESCRIPTION DRUG PLAN
Insert #12 to the September, 2007 Health and Welfare Plan Booklet

When the term “**Formulary**” is used, it means a list of drugs that are covered by the Plan.

Effective September 1, 2011, the Active Direct Payment Plan’s “Formulary” list changed. This change was communicated to Active Employees on August 1st **and** through a personalized letter on August 3rd to each Active Employee and/or dependent who was affected by the change in the **Formulary – that is, anyone taking a drug not on the new Formulary.**

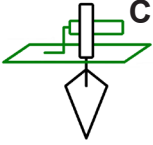
Drugs that are not on the new “Formulary” list will no longer be covered by the Plan and are referred to as “**Non-Formulary**” drugs. If an Eligible Individual continues to use a **Non-Formulary** drug, he/she will pay the full cost for the drug **with no reimbursement from the Plan.**

Copayments Effective September 1, 2011			
Retail Contracting Pharmacy:		Mail Service Pharmacy:	
Formulary Generic	\$10 for a 30-day supply (first 3 fills) \$20 for a 30-day supply (4th fill & after)	Formulary Generic	\$20 for a 90-day supply
Formulary Brand	\$25 for a 30-day supply (first 3 fills) \$50 for a 30-day supply (4th fill & after)	Formulary Brand	\$50 for a 90-day supply

If an Eligible Individual has used a **Formulary** Drug for a certain condition and it has been determined by his/her physician that the drug is not suitable, the physician may request a **prior authorization** for a drug not on the **Formulary** (a **Non-Formulary**). The request for the **prior authorization** should be directed to the Pharmacy Benefit Manager, Prescription Solutions, at 1 (800) 711-4555. If Prescription Solutions agrees with the physician, a **prior authorization** for the **Non-Formulary** drug will be granted and the Eligible Individual will pay the applicable copayment. If Prescription Solutions does not prior authorize the drug, the Eligible Individual has the right to appeal before the Board of Trustees for the Cement Masons Health and Welfare Trust Fund. Claims and Appeal information can be found in Article XI beginning on page 114 of the Health and Welfare Plan Booklet.

If you have questions about your new Pharmacy Benefit, you may call either Prescription Solutions at 1(800) 797-9791 or you may call the Trust Fund Office, Monday through Friday, 8:00 AM to 5:00 PM.

Sincerely,
 Board of Trustees



NOTICE OF CREDITABLE PRESCRIPTION DRUG COVERAGE

This document is to serve as your Notice of Creditable Prescription Drug Coverage, as required by law.

To: All Participants of Cement Masons Health and Welfare Trust Fund for Northern California

This Notice is for individuals with Medicare. If you, or any of your eligible family members are now, or will become, eligible for Medicare during the next 12 months, read this notice carefully and keep it where you can find it. **If you are not currently eligible for Medicare or will not be eligible for Medicare during the next 12 months, you may disregard this Notice.**

This Notice has information about your current prescription drug coverage with the Cement Masons Health and Welfare Trust Fund and prescription drug coverage available to individuals **with Medicare**. It also explains options you have under Medicare's Prescription Drug Program (i.e. Medicare Part D), which may help you decide whether or not you want to enroll in Medicare Part D.

IMPORTANT POINTS TO KEEP IN MIND:

1. Medicare prescription drug coverage first became available in 2006 to all individuals eligible for Medicare. Coverage was made available through Medicare Prescription Drug Plans and Medicare Advantage Plans **that offer prescription drug coverage** such as Kaiser Senior Advantage. All Medicare Prescription Drug Plans provide at least a standard level of coverage set by Medicare. Some plans may offer more coverage for a **higher monthly premium**.
2. The Cement Masons Health and Welfare Trust Fund has determined that the prescription drug coverage provided by the **Direct Payment Plan** is "**creditable**". Creditable means that the value of the prescription drug benefits offered by the **Direct Payment Plan** is, on average for all Plan Participants, at least as good as standard Medicare prescription drug coverage. That means the **Direct Payment Plan** is expected to pay as much in prescription drug coverage as the standard Medicare prescription drug coverage.
3. **Retired Cement Masons and Dependents Enrolled in Kaiser Senior Advantage offered through the Cement Masons Health and Welfare Trust Fund:**
 - ▶ As enrollees in a Medicare Advantage Plan (i.e. Senior Advantage), you are automatically enrolled in a Medicare Prescription Drug Plan.

Caution: If you enroll in another, individual Medicare Prescription Drug Plan, you will be disenrolled from the Kaiser Senior Advantage Plan. You may not be enrolled in a secondary Medicare Prescription Drug Plan in addition to the Kaiser Senior Advantage Plan. If you are interested in another Medicare Prescription Drug Plan, you should call the Trust Fund Office to see what effect it will have on your current medical coverage before you make the decision.

4. Remember, if you are a Retired Cement Mason or a dependent of a Retired Cement Mason, you must enroll in Medicare Parts A and B **once you are Medicare eligible**. If you do not, you will not receive the maximum hospital and medical benefits, regardless of which health plan you choose.

Because your existing prescription drug coverage under the **Direct Payment Plan** is, on average, at least as good as standard Medicare prescription drug coverage, you can keep your prescription drug coverage under the **Direct Payment Plan** and you **do not need to enroll in the Medicare Prescription Drug Program (Medicare Part “D”)**. If you decide to enroll in Medicare prescription drug coverage at some future time, you will not be required to pay a higher premium because you had a Prescription Drug Plan (i.e. under the **Direct Payment Plan**) that was “**creditable**.” As long as you are enrolled in a creditable Prescription Drug Plan when you are first eligible for Medicare **and you maintain that coverage**, you will not be penalized with a higher premium once you do enroll in prescription drug coverage. **Exception - See Below: “What happens if you lose or drop your coverage in the Cement Masons Plan.”**

Individuals can enroll in a Medicare Prescription Drug Plan when they first become eligible for Medicare and every year thereafter between **October 15th and December 7th**. Beneficiaries whose group coverage expires may be eligible for a Special Enrollment Period to sign up for a Medicare prescription drug coverage.

YOUR CHOICES IF YOU ARE ENROLLED IN THE DIRECT PAYMENT PLAN ARE:

1. **DO NOTHING.** You can keep your current prescription drug coverage with the Cement Masons Health and Welfare – **Direct Payment Plan**. You do not have to enroll in a Medicare Prescription Drug Plan.
2. **ENROLL IN ONE MEDICARE PART D PLAN.** You can keep your current prescription drug coverage under the **Direct Payment Plan** and enroll in one Medicare Prescription Drug Plan (remember, though, this does not apply if you are enrolled in the Senior Advantage Plan). **If you do decide to enroll in a Medicare Prescription Drug Plan, you should understand that you must pay the Part D premium out of your own pocket**. Further, there will be no reduction in the monthly premium you pay for hospital/medical/prescription drug coverage through the Trust Fund. The Trust Fund will not separate the cost of prescription drug coverage from the total premium you pay for the **Direct Payment Plan**. If you are interested in enrolling in a Medicare Prescription Drug Plan, you should compare your current coverage, including the drugs covered, with the coverage and cost of individual Medicare Prescription Drug Plans in your area.

WHAT HAPPENS IF YOU LOSE OR DROP COVERAGE IN CEMENT MASONS HEALTH AND WELFARE TRUST FUND AND YOU DO NOT ENROLL IN A MEDICARE PART D PRESCRIPTION DRUG PLAN?

If you lose or drop your coverage in the Cement Masons Health and Welfare Trust Fund and you do not enroll in a Medicare Prescription Drug Plan, **you may be required to pay a higher premium as explained below:**

If you lose or drop coverage in Cement Masons Health and Welfare Trust Fund and you wait 63 days or longer before enrolling in a prescription drug coverage that is at least as good as Medicare’s prescription drug coverage, your monthly premium will increase at least 1% per month for every month you did not have that coverage.

For example, if 19 months pass without your having **creditable** prescription drug coverage, your monthly premium for Medicare (Part D) prescription drug coverage will always be at least 19% higher than what you would have paid had you obtained coverage **before the 63 day lapse**. In addition, you may be required to wait until the next November to enroll.

FOR MORE INFORMATION CONCERNING THIS NOTICE OR YOUR CURRENT PRESCRIPTION DRUG COVERAGE CONTACT THE TRUST FUND OFFICE:

You will receive this Notice annually and at other times in the future (such as before the next period you can enroll in Medicare prescription drug coverage, or if the coverage provided by the **Direct Payment Plan** changes). You may also request a copy of this Notice at any time.

MORE INFORMATION CONCERNING YOUR OPTIONS UNDER MEDICARE PRESCRIPTION DRUG COVERAGE:

More detailed information on Medicare plans that offer prescription drug coverage is available in the Medicare and You Handbook. All persons enrolled in Medicare will receive a copy of the handbook in the mail each year from Medicare. Medicare beneficiaries may also be contacted directly by Medicare approved Prescription Drug Plans. For more information on Medicare Prescription Drug Plans:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program for personalized help. (See your copy of the Medicare & You handbook for the telephone number.)
- Call 1-800-MEDICARE (1-800-633-4227). TTY USERS CALL 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare Prescription Drug Plan is available. Information about this extra help is available from the Social Security Administration (SSA) online www.socialsecurity.gov, or call at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Notice. If you enroll in one of the new Medicare approved Prescription Drug Plans, you may be required to provide a copy of this Notice when you enroll to show that you are not required to pay a higher premium.

Date: September 15, 2011

Name of Sender: Cement Masons Health and Welfare Trust Fund for Northern California

Contact: Mr. Edward Smith, Fund Manager

Address: 220 Campus Lane, Fairfield, CA 94534-1499

Phone Number: 707-864-3300 or Toll-Free 888-245-5005

In all cases, the Cement Masons Health and Welfare Trust Fund for Northern California reserves the right to modify benefits at any time, in accordance with applicable law.