

# HealthLINE

International Union of Operating Engineers  
Local 4 Health and Welfare Fund

May 2006



## This edition of *HealthLINE* covers the following issues:

- Benefit change for maintenance drugs filled through a retail pharmacy to a stepped co-pay
- Change in benefit options if you are called to active military duty
- Reminder concerning participant authorization forms
- Reminder regarding Davis Vision and routine vision care

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### Benefit Change for Maintenance Medications

Effective May 1, 2006, the Plan is being amended to change how you are charged for **maintenance drugs** when you purchase them through a retail pharmacy. In the past, you would owe just the retail co-pay on maintenance drugs purchased at retail. Depending on the tier of the drug, this would be either a \$10, \$20 or \$40 co-pay if your enrollment was based on the Basic eligibility rule (or \$20, \$40 or \$80 for enrollment based on the Supplemental eligibility rule).

Beginning May 1, you will be eligible to receive two maintenance drug fills at the retail co-pay. After two fills (or the third time you fill the prescription) you will be charged two times the retail pharmacy co-pay for any additional fills of the same maintenance drug at retail. This is referred to as a Stepped Co-pay. The objective is to have you use the Caremark Mail Service Program where your costs and the Plan costs are considerably less expensive.

As an example, a generic drug for blood pressure pills will cost you two times the retail fill or \$20 if this is your third fill. A brand drug for cholesterol could cost you \$80 or \$160 for one month, depending on the eligibility rule you are insured under. (If the drug costs less than the co-pay, you will pay the full discounted cost of the drug).

A maintenance drug is any drug that is considered long term. For example, blood pressure pills, diabetes or cardiac medications, birth control. You may be concerned you will be charged the increased co-pay while your physician evaluates a new medication. Since the Stepped Co-pay does not go into effect until after two monthly fills, this should not present a problem. After two months your physician should have a good idea as to whether you will stay on the particular maintenance drug that has been written for you or the physician may write a new script for a different drug.

If you are currently receiving your maintenance drugs through the retail pharmacy network, ask your physician for a new prescription that you can mail to Caremark with the enclosed Mail Service claim form. Or your physician can phone in a new script to Caremark at 1-800-378-5697 to begin the Mail Service Program. If you are not sure if your drug is considered a maintenance drug you can contact Caremark Customer Care at 1-866-273-8408.

See Chart below that summarizes Prescription benefits.

Basic Prescription Drug Program – Retail <i>For immediate drug needs or short term medications</i> 30 day supply No Deductible		Supplemental Prescription Drug Program – Retail <i>For immediate drug needs or short term medications</i> 30 day supply After \$250 deductible per person/\$500 deductible per family (RXD)	
Tier 1 Generic	\$10 co-pay	Tier 1 Generic	\$20 co-pay RXD
Tier 2 Brand Name Formulary	\$20 co-pay	Tier 2 Brand Name Formulary	\$40 co-pay RXD
Tier 3 Brand Name Non-Formulary	\$40 co-pay	Tier 3 Brand Name Non-Formulary	\$80 co-pay RXD
Basic Prescription Drug Program – Retail <i>Stepped Co-pays for Maintenance Drugs – fills 3+</i>		Supplemental Prescription Drug Program – Retail <i>Stepped Co-pays for Maintenance Drugs – fills 3+</i>	
Tier 1 Generic	\$20 co-pay	Tier 1 Generic	\$40 co-pay RXD
Tier 2 Brand Name Formulary	\$40 co-pay	Tier 2 Brand Name Formulary	\$80 co-pay RXD
Tier 3 Brand Name Non-Formulary	\$80 co-pay	Tier 3 Brand Name Non-Formulary	\$160 co-pay RXD
Basic Prescription Drug Program – Mail Service <i>For maintenance or long term medications</i> 90 day supply No Deductible		Supplemental Prescription Drug Program – Mail Service <i>For maintenance or long term medications</i> 90 day supply After \$250 deductible per person/ \$500 deductible per family (RXD)	
Tier 1 Generic	\$20 co-pay	Tier 1 Generic	\$40 co-pay RXD
Tier 2 Brand Name Formulary	\$40 co-pay	Tier 2 Brand Name Formulary	\$80 co-pay RXD
Tier 3 Brand Name Non-Formulary	\$80 co-pay	Tier 3 Brand Name Non-Formulary	\$160 co-pay RXD

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## Other Important Benefits Information

### Benefit Options When You Are Called to Active Military Service

The Department of Labor has published final rules to implement the Uniformed Services Employment and Re-Employment Rights Act (USERRA) of 1994. The new regulations clarify that a Plan may charge an insurance premium for coverage after a Veteran returns to work if the Veteran has otherwise exhausted earned coverage under the Plan. Additionally, COBRA continuation coverage can extend to 24 months, instead of 18 months for Participants insured under COBRA as a result of USERRA.

In recognition of this, page 9 of the Summary Plan Document, in the Section, When Your Coverage Ends, has been amended as follows:

#### When Your Coverage Ends

Your coverage under the Health and Welfare Plan terminates at the earliest of the dates shown in the following chart:

For you as an active Covered Employee, coverage ends at the earliest date:	For your covered dependents, coverage ends at the earliest date:
<ul style="list-style-type: none"> <li>You no longer meet the Plan's eligibility requirements;</li> <li>You entered non-covered employment, or you are an apprentice who has been terminated from the Hoisting and Portable Engineers Local 4 Apprenticeship and Training program;</li> <li>You reach the maximum Medical Plan lifetime benefit amount;</li> <li>The Plan terminates;</li> <li>You enter active duty with the uniformed services. If the period of active duty exceeds 30 days you have two options. You may: <ul style="list-style-type: none"> <li>– Run out your earned coverage, enroll in a government sponsored plan and/or elect COBRA coverage for up to 18 months or USERRA coverage for up to 24 months for your dependents, or</li> <li>– Freeze your earned coverage and enroll in a government-sponsored plan.</li> </ul> </li> </ul> <p>If you are available for work within 90 days from the date of your release from the uniformed services, you will be credited for 100 hours of work (125 hours if you are covered by a Local 4D contract) for each month that you were in the military service. If you are not available for work within 90 days of your date of release from the uniformed services, you must once again meet the Plan's eligibility requirements before becoming eligible for coverage. See also the paragraph below.</p>	<ul style="list-style-type: none"> <li>Your coverage ends;</li> <li>You are divorced, unless a court decree specifies otherwise (This change affects your spouse's coverage only.);</li> <li>Your dependent child no longer meets the definition of a dependent. In this case, coverage terminates at the end of the month in which the child reaches age 19, or age 23 if he or she remains a full-time student, or if your child is no longer incapacitated;</li> <li>Your dependent reaches the maximum Medical Plan lifetime benefit amount;</li> <li>The Plan terminates;</li> <li>Your dependent child marries;</li> <li>Your dependent child begins active duty with the uniformed services. If the period of active duty exceeds 30 days, the Plan will offer COBRA coverage to the dependent child, as outlined in the chart to the left. See also the paragraph below.</li> </ul>

### If You Enter Active Military Duty

Under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), you and your dependents have the right to continue your group health care coverage for up to 24 months if you are on a leave of absence for duty in the uniformed services of the United States. This coverage is similar to COBRA coverage, except that COBRA coverage continues for up to 18 months. If your leave is for less than 31 days, your premium payment will be the active contribution, rather than the full COBRA premium. For more information about filing for coverage under USERRA, contact the Fund Office. If you report back to work within 90 days, your coverage will be reinstated. You may be charged for coverage at the COBRA rate if you run out your earned coverage prior to entering the military.

If you wish to have coverage under USERRA, please follow the procedures for the election of COBRA/Buy-In coverage set forth in the section on Paying the Cost of Benefits.

### Continuing Your Coverage (COBRA)

The Plan has been amended to reflect the increased months of COBRA eligibility available to participants who are eligible for COBRA coverage due to USERRA. Page 62 of the Summary Plan Document has added the following paragraph concerning COBRA eligibility:

*When the qualifying event is related to entry into military service, COBRA continuation coverage lasts for 24 months due to USERRA.*

### AD&D Coverage

The Plan has been amended to reflect that an accidental death or dismemberment resulting from participation in the US Military does not preclude coverage under the AD&D Policy. Page 78, exclusion number 8 of the Summary Plan Document has been amended as follows:

#### What the AD&D Plan Does Not Cover

A covered accident that occurs while engaged in the activities of active duty service in the military, navy or air force of another country or as a mercenary. Covered accidents that occur while engaged in reserve or National Guard training are not excluded until training extends beyond 31 days.

### Participant Authorization Forms

In the last HealthLine the Fund Office sent out participant authorization forms that enable the Fund Office to discuss your claims information with your designee. As a reminder, we cannot discuss your claims with a spouse, a significant other or even the claims of your dependent children over age 18 if we do not have an authorization form on file. If your authorization is more than 3 years old it can be updated by submitting that form. If you have misplaced that form you can get a new one from our web site at [www.local4funds.org](http://www.local4funds.org) or call the Fund Office at 1-888-486-3524.

### Davis Vision

Routine Vision care benefits are only available through Davis Vision for participants who are enrolled based on the Basic eligibility rule. This information is being provided again as the Fund continues to receive routine claims through Blue Cross Blue Shield providers. Routine vision benefits are not available through the Medical Plan. Vision providers should use the enrollee's social security number for verification of eligibility with Davis Vision.



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