

MICHIGAN CARPENTERS' FRINGE BENEFIT FUNDS

Michigan Carpenters' Health Care Fund
Michigan Carpenters' Pension Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

April 2022

IMPORTANT NOTICE REGARDING YOUR BENEFITS

TO: MEDICARE ELIGIBLE PARTICIPANTS IN THE MICHIGAN CARPENTERS'
HEALTH CARE FUND

RE: SUMMARY OF MATERIAL MODIFICATIONS (SMM)
Change in Medicare and Pharmacy Benefits to Medicare Plus Blue Group PPO

Dear Medicare Eligible Participants:

Effective June 1, 2022, your Medicare coverage will change from the Fund's Medicare Supplemental Plan to a Medicare Advantage Plan with Prescription Drugs (MAPD Plan).

Below, we describe how this enhancement will affect you and your Medicare eligible spouse and/or dependent(s).

You should keep this SMM with your Summary Plan Description for future reference.

1. What is the MAPD Plan?

The Fund has contracted with Blue Cross Blue Shield of Michigan (BCBSM) to offer the MAPD Plan to their Medicare retirees. The MAPD Plan is known as "Medicare Plus Blue Group PPO".

The MAPD Plan is a Medicare-approved health plan administered by BCBSM that provides the same benefits as original Medicare Part A and Part B coverage as well as prescription drug, Part D coverage.

2. Will my health care benefits change?

Yes. You will now receive medical and prescription drug coverage. The MAPD Plan has been designed to provide the same level of benefits for medical coverage. Your deductible, co-payments and co-insurance will also remain the same.

To the extent you have had out-of-pocket costs applied between January 1, 2022 and May 31, 2022, these out-of-pocket costs will be applied to the MAPD Plan, including any prior deductible payments.

3. Will my self-payment rate change?

No. Your self-payment rate will remain the same on June 1, 2022.

4. Will I get a new ID card?

Yes. For services incurred on or after June 1, 2022, you *must* use your new MAPD ID card for your medical and prescription drug coverage. You will no longer use your Medicare card. But, you should keep it in a safe place for possible future use.

You and your Medicare eligible spouse and/or dependent(s) should discard your BCBSM ID card(s).

If your spouse and/or dependents are *not* eligible for Medicare, they should keep their BCBSM ID card.

5. If I am married, will my spouse get a separate ID card?

Yes. Your Medicare enrolled spouse will get their own MAPD Plan ID card. Under the MAPD Plan, each person is considered an individual enrollee.

6. Do I still pay my Medicare Part B premium?

Yes. You *must* continue to pay for Medicare Part B premium as a requirement of your MAPD Plan. Payment for your Part B premium is generally deducted from your Social Security benefit.

7. What is Medicare Part D and what pharmacies can I use?

There are over 2,400 Michigan pharmacies that participate in BCBSM's Part D network.

If you need a prescription and you are outside of Michigan, you can use any retail pharmacy that participates with the Express Scripts retail network.

8. Will I be automatically enrolled in the MAPD Plan?

Yes. If you were previously enrolled in the Fund's Medicare Supplemental Plan, you and your eligible spouse will automatically be enrolled in the MAPD Plan.

9. If I'm currently enrolled in Medicare Part D, am I required to terminate my Medicare Part D coverage on June 1, 2022?

No. On June 1, 2022, the Fund's MAPD Plan will automatically replace your current Medicare Part D coverage. But, we recommend you contact your Medicare Part D insurer on or before June 1, 2022 to confirm that your payments will stop on June 1, 2022.

10. If I'm not currently enrolled in Medicare Part D coverage, can I still elect MAPD coverage on June 1, 2022?

Yes. *But, Medicare will assess you a Medicare Part D late enrollment penalty.*

As of June 1, 2022 the Fund will pay your late enrollment penalty on your behalf. This means that on June 1, 2022 you will continue to submit your current self-payment rate and no additional amounts will be added due to the late payment assessment.

But, the Fund can, at any time, choose to not pay your late enrollment penalty.

11. How is the Medicare Part D late enrollment penalty assessed and paid?

The Medicare Part D late enrollment penalty -- which is assessed by Medicare -- is based on how long you and your Medicare-eligible family members went without Part D coverage. The Part D late enrollment penalty is assessed per Medicare-eligible individual. For each month you did *not* enroll in Part D coverage, you will be assessed a penalty of one percent (1%) of the national base beneficiary premium. The 2022 maximum annual Part D late enrollment penalty is \$748.80 per year or \$62.40 per month.

BCBSM will notify you of your Part D late enrollment penalty amount. *If you terminate Fund coverage after participating in the Fund's MAPD Plan, you will continue to pay the Part D penalty for the remainder of your life.*

12. I am eligible for coverage under my spouse's retiree health care plan and my spouse is eligible for Fund coverage. How does this work?

You cannot be enrolled in a MAPD Plan as your primary plan and another MAPD Plan as your secondary plan. An individual is only allowed to be enrolled in one MAPD Plan. So, you should verify your spouse's coverage is MAPD to avoid problems for you and your spouse.

However, if your spouse has a Medicare Supplemental Plan, you are entitled to coordinate benefits between your MAPD Plan and your spouse's plan.

13. Will I still be eligible for the Fund's \$500 Flex Benefit on June 1, 2022.

No. *The Fund's Flex Benefit will terminate for all Medicare participants on June 1, 2022. However, you have until May 31, 2022 to use your Flex Benefit.*

The Fund is terminating the Flex Benefit on June 1, 2022 due to the addition of prescription drug coverage with your enrollment in the Fund's MAPD program.

14. Why did I receive an Opt-Out Form?

BCBSM is required to send you an Opt-Out Form for the MAPD Plan. If you have questions regarding opting out of the MAPD Plan, please contact the Fund Office.

15. How do I find a doctor or hospital?

Any provider that accepts Medicare will accept your MAPD Plan. If you are unsure, you should ask your provider if they accept Medicare or BCBSM's Medicare Advantage PPO Plan.

You should use your MAPD Plan ID card when you visit your provider or your pharmacy.

16. Can I use the MAPD Plan if I travel or live outside of Michigan?

Your MAPD Plan has a nationwide network. Individuals living or traveling outside of Michigan can obtain services from any hospital/physician that accepts Medicare. Your benefits and cost sharing will not change.

You can look up participating providers online through www.bcbsm.com/medicare or call the phone number listed on the back of your new ID card.

17. How can I review my MAPD Plan benefits?

BCBSM will send you a pre-enrollment kit and Benefits at a Glance. You should retain these documents for future reference.

If you have questions regarding your Medicare benefits, please contact the Fund Office at (800) 273-5739.

Sincerely,

The Board of Trustees of the
Michigan Carpenters' Health Care Fund