

Northwest Insulation Workers Welfare Trust

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Administered by
Welfare & Pension Administration Service, Inc.

November 6, 2020

TO: All Medicare Eligible Retirees and Medicare Eligible Dependents of the Northwest Insulation Workers Welfare Trust

RE: Summary of Material Modification – New Medicare Eligible Retiree and Medicare Eligible Dependents Health Plan Effective January 1, 2021

The Northwest Insulation Workers Welfare Trust (“Trust”) has made certain material modifications to the Plan; these changes are outlined below. **This notice provides VERY IMPORTANT information to you and your Eligible Dependents.** Please take the time to read it carefully and keep it with your important paperwork.

CHANGES TO MEDICARE ELIGIBLE RETIREES AND MEDICARE ELIGIBLE DEPENDENTS’ PLAN EFFECTIVE JANUARY 1, 2021

With health care costs continuing to rise, the Trustees reviewed current benefit plan options for its Medicare eligible retirees and Medicare eligible dependents. The Trustees goal in this review process has been to maintain a strong benefit plan option for Medicare eligible retirees, while avoiding significant increases to the cost of coverage.

After review, the Trustees elected to change the Plan for Medicare eligible retirees and Medicare eligible dependents from the current self-funded group health plan (medical) and insured prescription drug plan to a fully insured group health plan offered by Humana for both medical and prescription drug benefits. Humana is a nationally recognized provider of group health benefit plans for Medicare eligible individuals. Humana was able to offer the Trust a benefit plan that provides medical and prescription drug coverages at levels similar to or better than the Trust’s current plan for most services. Additionally, the Humana plan is a “Passive PPO” plan and not a traditional PPO or HMO plan; Medicare eligible participants may see any provider who accepts Medicare and is willing to bill Humana to receive the preferred benefits and no referral is needed.

Therefore, **effective January 1, 2021**, all of the Trust’s Medicare eligible retirees and Medicare eligible dependents will be transitioned from the Trust’s current self-funded plan to the Humana plan. More detailed information regarding the benefits will be provided to all Medicare eligible retirees in the very near future. Packets will be mailed directly from Humana to current Medicare eligible retirees and Medicare eligible dependents. Packets should be received by the first week of December. You will also receive additional documentation from the Trust.

Retirees and any dependents not eligible for Medicare will continue on the Trust’s current self-funded plan.

Your contribution amount will be decreasing. The actual contribution amount is being determined. You will be notified of the new amount near the end of November.

IMPORTANT: Medicare eligible retirees and Medicare eligible dependents are required to have, and pay for, Medicare Part B coverage. If you fail to pay your Part B premium, Medicare will notify Humana to terminate your coverage. Medicare provides this information to Humana monthly. The Trust will contribute a portion of the cost for the Humana plan to help reduce the Medicare eligible participants' cost of coverage.

IMPORTANT NOTE ABOUT ADDRESSES: To enroll you in the Humana Group Medicare PPO Plan, you must have a residential address on file at the Administration Office. Informational packets can be sent to a Post Office Box, however CMS requires a street address for initial enrollment in the plan to confirm your current eligibility with Medicare. The Administration Office will be contacting you if they do not have a street address on file.

The Humana plan will provide very strong medical and prescription drug benefits. However, there are some differences. For your reference, a brief comparison of the current self-funded Trust plan and the new Humana plan effective January 1, 2021 is enclosed. This is not all inclusive but should provide an overview of the plan differences.

The Trust is committed to providing a good benefit plan for Medicare retirees for as long as possible. Keep in mind that the Trust also contributes toward the premium cost for the Humana plan on behalf of each Medicare covered participant. If you terminate the Humana plan, you will lose your coverage through the Trust as well as the Trust subsidy, and you will not be able to come back on the plan. Should you decide to opt-out of the Humana plan, you must contact the Administration Office at the phone numbers listed below **by December 15, 2020**.

Receipt of this notice does not constitute a determination of benefits or your eligibility. If you wish to verify benefits or eligibility, or if you have any questions regarding medical benefit changes, please contact the Administration Office at (206) 441-7574 or 1 (844) 811-6789, extension 3345 or 3362.

**Board of Trustees,
Northwest Insulation Workers Welfare Trust**

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Enclosures

cc: Board of Trustees
Trust Consultant
Trust Attorney