



INDIANA LABORERS WELFARE FUND

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This letter serves as a summary of material modifications of the Plan.
Please keep this with your Summary Plan Description.

*** Important Welfare Benefit Changes ***

October 2011

To All Participants of the
Indiana Laborers Welfare Fund

ANNUAL NOTICE REGARDING MEDICARE PRESCRIPTION COVERAGE

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a Federal law gives you more choices about your prescription drug coverage. Please see the following pages for more details.

Dear Participant:

The Board of Trustees has made the following changes to the Plan.

Substance Abuse Benefit – Effective October 1, 2011

The Trustees modified the Plan to require certain levels of care when treating substance abuse. They added the following language describing substance abuse benefits:

Detoxification Services

Treatment for detoxification will be covered if performed in a Hospital or Substance Abuse Treatment Center that is licensed for this level of care, has a physician on staff and has registered nurses on staff 24/7.

Substance Abuse Treatment Conditions

Substance Abuse treatment including detoxification, in-patient rehab, a partial hospital program or intensive out-patient program will be covered provided the services are medically necessary and the attending physician completes and submits a Substance Abuse Claim Form for each level of care.

Contact the Fund's case management provider, Med-Care Management at 1-800-367-1934 to obtain the claim form, obtain pre-certification for inpatient stays or to receive more information regarding this benefit.

Change to Exclusion # 38

Exclusion #38 in the Plan was changed to read as follows:

Injury, Sickness or expenses incurred from or related to any court ordered evaluations or treatment from or occurring during an attempt to commit or the commission of a misdemeanor or felony or the willful participation in a public disturbance or riot and as a direct result of driving while legally impaired;

Change to the Definition of Substance Abuse Treatment Center

The Trustees modified the definition of a substance abuse treatment center to the following:

“Substance Abuse Treatment Center” means a Hospital or clinic licensed for inpatient or outpatient drug or alcohol abuse treatment. Facilities providing in-patient substance abuse services must be licensed for the level of care, have a physician on staff and have registered nurses on staff 24/7. Facilities providing out-patient services must be licensed for the level of care and services must be performed or supervised by a Physician as defined under this Plan.

Officers-Board of Trustees

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Janetta E. England
Administrative Manager



Please remember that if you need treatment for substance abuse, certain participating Local Unions have an employee assistance program available through the Union at no cost to the Eligible Person. Please contact your Local Union for more information regarding these programs.

Coverage for Surrogate Mothers and Babies – Effective September 21, 2011

In order to clarify the intent of covered services related to maternity and newborn baby benefits, the Trustees added the following exclusion to the Plan:

Maternity charges incurred by a covered person acting as a surrogate mother are not covered charges. For the purpose of this Plan, “surrogacy” means that the mother has entered into a contract or other understanding pursuant to which she relinquishes a child or children following birth. All expenses paid by the Plan in such cases may be recovered from the Participant, the Participant’s spouse and/or the third party or any related parties. Care, services or treatments required as a result of complications from a surrogate pregnancy by the Participant or Participant’s Spouse will not be covered under the Plan.

Also effective September 21, 2011 the definition of a dependent was modified to add the following language to the end of the definition:

- (J) A Dependent shall not include the child carried and born of an Eligible Person acting as a surrogate mother and will not be considered a Dependent of such surrogate mother or her spouse. For the purpose of this Plan, “surrogate mother” means that the mother has entered into a contract or other understanding pursuant to which she relinquishes a child or children following birth of the child.

Do you know that your plan, as required by the **Women’s Health and Cancer Rights Act** of 1998, provides benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema? Contact the Fund Office for more information.

If you have any questions regarding these changes, please contact the Fund Office at 1-800-962-3158.

On behalf of the Board of Trustees, I remain –

Sincerely yours,

Janetta England
Administrative Manager

Important Notice from Indiana Laborers Welfare Fund About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Indiana Laborers Welfare Fund and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Indiana Laborers Welfare Fund has determined that the prescription drug coverage offered by the Indiana Laborers Welfare Fund is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Indiana Laborers Welfare Fund coverage will be affected.

You will no longer be eligible for Prescription coverage through the Plan.

If you do decide to join a Medicare drug plan and drop your current Indiana Laborers Welfare Fund coverage, be aware that you and your dependents may not be able to get this coverage back.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with Indiana Laborers Welfare Fund and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the person listed below for further information. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Indiana Laborers Welfare Fund changes. You also may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date: October 2011
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