



THE ROAD
TO A *healthier* YOU

IMPORTANT NOTIFICATION

To: Operating Engineers Local #49
Health and Welfare Fund Participants

From: Operating Engineers Local #49
Health and Welfare Fund Board of Trustees

Re: Medicare Part B Enrollment

The transition from active employment to retired status can present challenges. One of these challenges is deciding when to enroll for Medicare Part B coverage.

This notice is intended to assist participants as they transition from an active employee covered by the 49ers Plan, to an early retiree covered under the Retiree portion of that Plan, and finally, to a Medicare enrollee also covered by a supplemental plan offered through the 49ers Plan. The notice serves as a reminder of the requirements of the Plan, as well as Medicare, during this transition process.

In general, you should enroll in Medicare Part B when you are first entitled to do so. Why? Even if you don't enroll, the 49ers Plan will treat you as though you did. The 2014 Summary Plan Description states on page 71,

“This Plan automatically considers you to be insured under both Part A and Part B if you are eligible for them, whether or not you have actually enrolled. Benefits will be paid as though you were enrolled under both Part A and Part B of Medicare. Therefore, it is very important that you enroll in Medicare as soon as you become eligible.”

We have recently become aware that some participants have inadvertently declined to enroll in Medicare Part B coverage at the time they first became eligible to do so. As a result, those individuals may have to wait to become enrolled for that coverage and may also have to pay a higher monthly premium.

What happens if you don't enroll in Part B? If you decline enrollment, you will be insufficiently covered and unable to enroll in the Medicare supplemental coverage offered by the Plan through BlueCross BlueShield. Additionally, those who decline Part B coverage when initially available may need to wait to enroll in that coverage in the future, and that coverage could be more expensive due to certain penalties assessed by Medicare.

As a result, the official position and recommendation of the Operating Engineers Local #49 Health & Welfare Fund is to accept Medicare Part B as soon as you are Medicare eligible either as a result of becoming age eligible or as a result of a disability.

If you have any questions regarding this notification, please contact the Fund Administration office at (952) 854-0795 or toll free (800) 535-6373.