



NATIONAL AUTOMATIC SPRINKLER INDUSTRY WELFARE FUND • PENSION FUND



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IMPORTANT NOTICE TO MEDICARE-ELIGIBLE PARTICIPANTS REGARDING YOUR MEDICAL AND PRESCRIPTION DRUG COVERAGE

October 2022

Dear Medicare-Eligible Participant:

The Trustees of the National Automatic Sprinkler Industry (NASI) Welfare Fund are committed to providing you and your family the best possible benefits in exchange for the lowest possible price. For this reason, they periodically review the benefits offered by the Fund and the way they are delivered. With that in mind, they are pleased to announce a new program that will result in improved coverage with lower out-of-pocket costs.

The Trustees believe these enhancements are especially critical given the economic hardships caused by escalating healthcare costs, and they are proud to offer them to retired members who have devoted themselves for decades to the unionized automatic sprinkler trade across our country.

We encourage you to review this notice carefully and to contact our new partner Labor First, introduced in this correspondence, with any questions. You can reach Labor First at 855-433-1675 (TTY 711).

New Medicare Advantage Prescription Drug Plan

We are automatically enrolling all inactive Medicare-eligible participants and dependents in a high-quality, cost-effective Medicare Advantage Prescription Drug (MAPD) plan offered and administered by Aetna®.

- This change will occur effective January 1, 2023.
- You do not have to fill out any paperwork or take any action.
- Your medical benefits will be better | 100% Coverage | No Deductible | No Copay | No Coinsurance.
- Your monthly retiree premium amount is not changing. What you pay now will stay the same in 2023.
- You will be enrolled for free in the Silver Sneakers Fitness Benefit.
- Your prescription drug benefits will not be subject to a deductible. Instead, your prescription drug benefits will be subject to an out-of-pocket maximum of \$2,900 per person per calendar year. If you meet that maximum in one calendar year, you will receive covered medications at no out-of-pocket cost for the remainder of that calendar year and the following calendar year. Coinsurance rates for your medications still apply, as explained in the enclosed summary of your new coverage.
- You are still covered by the NASI Welfare Fund. However, Aetna®, not the Fund Office, will be responsible for administering the MAPD plan. The Fund Office will remain available to assist you as necessary on other matters. For example, the Fund Office will continue to handle inquiries regarding eligibility, retiree premiums, dental and vision benefits, and all other benefits outside the scope of the MAPD plan.

We understand that change, even if it comes with better benefits, may be disruptive. For this reason, we have retained a separate, fully-devoted third-party provider — **Labor First** — to address your questions, resolve

claims issues, and ensure that this transition goes as smoothly as possible. Labor First specializes in the implementation and ongoing member service of retiree health and drug programs. Labor First has a team of dedicated Retiree Advocates specifically assigned to assist you with any issues or concerns you may have during implementation, as well as on an ongoing basis. **You can reach the Labor First Retiree Advocate Team for the NASI Welfare Fund at 855-433-1675 (TTY 711).**

What Does This All Mean?

Right now, most Medicare-eligible participants and dependents receive their primary medical coverage from Medicare, secondary coverage from the NASI Welfare Fund, and prescription drug benefits from the NASI Welfare Fund through Express Scripts.

Effective January 1, 2023, this coverage arrangement will change. You will be automatically enrolled in a fully insured, separate, standalone (retiree-only) MAPD plan offered and administered by Aetna®, which follows rules set by Medicare. Consequently, Medicare will no longer process your medical claims on a primary basis, the NASI Welfare Fund will no longer process your medical claims on a secondary basis, and Express Scripts will no longer process your prescription drug claims. Instead, Aetna® will process and pay your medical and drug claims directly.

The MAPD plan is essentially a separate, standalone Medicare replacement plan for inactive Medicare-eligible retirees and disabled participants. The MAPD plan also provides a comprehensive program of supplemental medical benefits and prescription drug coverage. Importantly, the MAPD plan is not available to active participants or other individuals who are employed by an employer who is required to make contributions to the NASI Welfare Fund. By accepting enrollment in the MAPD plan, you certify that: (1) you and your covered dependents are not actively employed by a contributing employer to the NASI Welfare Fund; and (2) you will notify Labor First or the Fund Office immediately if you or your covered dependents become actively employed by a contributing employer to the NASI Welfare Fund.

Coverage Highlights

- **Medicare Coverage.** Effective for claims incurred on and after January 1, 2023, the Aetna® MAPD plan will cover 100% of eligible medical charges, with no deductible, no copayments, and no coinsurance; provided your medical provider accepts Medicare coverage and is willing to bill Aetna®. The entirety of your medical claims will be processed and paid directly by Aetna®. If you experience any provider payment or coverage issue, advocates from Labor First will resolve it as quickly and effectively as possible. The Fund Office will no longer be the primary point of contact for these problems, but Fund Office staff will remain ready to assist you as necessary.
 - Silver Sneakers Fitness Benefit Included.
 - \$0 Annual Physical Exam Included.
 - \$0 Routine Hearing Exam Included – Once every 12 months.
 - \$1,200 Hearing Aid Reimbursement Included – Once every 36 months.
 - \$0 Vision Exam with Refraction Included – 1 per year (in addition to your VSP Vision Benefit).
 - Chiropractic Services Included – 26 visits covered per year.
- **Prescription Drug Coverage.** Your prescription drug benefits will not be subject to a deductible. Instead, your prescription drug benefits will be subject to an out-of-pocket maximum of \$2,900 per person per calendar year. If you meet your out-of-pocket maximum in 2022, your drugs will be covered at no out-of-pocket cost in 2023. If you do not meet your out-of-pocket maximum in 2022, you will have a prescription drug out-of-pocket maximum of \$2,900 in 2023. Coinsurance rates for your medications still apply, as explained in the enclosed summary of your new coverage.

- *Limited International Medical Coverage.* The MAPD plan provides limited coverage for emergency and urgent care services for eligible individuals who travel internationally. Contact Labor First for additional details. Labor First can help you determine whether you should purchase an individual insurance policy if you are planning to travel abroad.
- *Other NASI Welfare Fund Benefits.* The Fund Office will continue to handle inquiries regarding eligibility, retiree premiums, dental benefits, vision benefits (in addition to the free vision exam offered by the MAPD plan), and all other benefits outside the scope of the MAPD plan. This notice has no impact on these benefits.

AETNA® PAYS FOR MEDICARE APPROVED SERVICES
AS BEFORE, YOU MUST BE ENROLLED IN MEDICARE PARTS A AND B

What Are Some Important Things to Know?

ID CARDS - You Will Receive an Aetna® ID Card for Medical Services & Drugs; Put Your Medicare ID Card Away.

- You will receive your Aetna® Welcome Kit and **new Aetna® ID card by the end of December** directly from Aetna®. Please use this card for all your medical and prescription drug needs. It is normal for households to receive their ID cards on different days.
- You no longer need to carry your Medicare ID card for medical services. We recommend putting your Medicare ID card in a safe place in case you need it later. For example, you may need your Medicare ID card for COVID-19 related services such as COVID-19 testing kits and vaccines.

Prescription Drug Issues

- **RETAIL PHARMACIES** – Simply show your new Aetna® ID card to your retail pharmacy on and after January 1, 2023. **You do not need to obtain new prescriptions if you use your local retail pharmacy and have active refills available.** Aetna® has over 65,000 pharmacies in network. Do not hesitate to call Labor First if you need assistance with your retail prescriptions.
- **MAIL ORDER** – Aetna® has a dedicated Mail Order pharmacy you may utilize starting January 1, 2023. **You will need new prescriptions to use the Mail Order pharmacy.** Please call Labor First for assistance with setting up your new Mail Order pharmacy benefit through Aetna®.
- Your current medications will most likely be covered. The Aetna® MAPD plan has a comprehensive formulary, meaning that most FDA approved drugs are covered. However, in some cases certain medications may not be covered. It is also possible that certain medications may move from “preferred” to “non-preferred status” or vice versa. Call Labor First if you have any issues with your drug coverage.
- Aetna® has many preferred pharmacies. We are happy to report that you can get a 90-day retail supply at preferred pharmacies for the same coinsurance rate that applies to preferred Mail Order fills.
- We recommend that you fill any open scripts before January 1, 2023.

You May Visit Any Medical Provider that Accepts Medicare and is Willing to Bill Aetna®

- You may visit doctors and hospitals of your choice so long as they accept Medicare coverage and are willing to bill Aetna®. (Under the Aetna® MAPD plan, you may use providers that are “in” or “out” of the Aetna® Medicare network. However, whether a provider is “in” or “out” of network does not matter for purposes of your coverage. All that matters is whether the provider accepts Medicare coverage and is willing to bill Aetna®. If so, your eligible medical expenses will be fully covered at no cost to you.)
- If a provider says they do not accept this plan, call Labor First for assistance. Most providers accept Medicare and are either in the Aetna® network or have billed Aetna® in the past. However, if your provider has never billed Aetna®, your provider may require an education regarding your plan, your

benefits, and how to bill Aetna®. Labor First stands ready to provide this information upon request and to work with your provider to resolve any coverage or payment issues that you may experience.

- If your provider accepts Medicare, but refuses to bill Aetna®, and you nevertheless receive services from that provider, you must pay out of pocket for your medical services and submit your expenses to Aetna® for reimbursement up to the Medicare allowable amount. In this case, the provider should not be billing you above the Medicare allowable amount because the provider accepts Medicare assignment, in which case you should be reimbursed in full for your out-of-pocket expenses. (You may be responsible for charges, if any, that the MAPD Plan does not cover.) Alternatively, Labor First can assist you with finding a different provider, if necessary.
- If your provider does not accept Medicare, and you nevertheless receive services from that provider, you must pay out of pocket for your medical services and submit your expenses to Aetna® for reimbursement up to the Medicare allowable amount. In this case, you will be responsible for the difference between what the provider charges and what Medicare allows. (We note that this coverage arrangement is similar to your current coverage. The NASI Welfare Plan does not cover claims for benefits to Medicare-eligible participants from providers who have opted out of Medicare, except to the extent payment would be made if the providers continued to participate in Medicare on a secondary basis.)
- We emphasize that the universe of providers who accept Medicare and are willing to bill Aetna® is expansive and it is unlikely for you to experience any issues. Nevertheless, your choice of provider is important under the MAPD plan, and we want to ensure that your benefits are fully covered without issue. For that reason, we encourage you to call Labor First before seeing your provider in an effort to ensure in advance that you do not experience any issues at the provider's office.

What Mailings to Expect

- Enclosed with this correspondence is a summary of your new coverage and FAQs.
- You should receive a pre-enrollment guide from Aetna® in November or early to mid December.
- You should receive your welcome letter, confirmation of enrollment, enrollment guide and your ID card from Aetna® by the end of December.
- You will receive a comprehensive Evidence of Coverage booklet early next year. Please refer to that booklet for a more comprehensive discussion of your coverage and the rules that apply to your coverage.

Details About What You Have to Do:

- **You do not have to do anything.** Enrollment in the new MAPD plan is automatic. You do not have to take any action. You do not have to fill out any paperwork. Simply be on the lookout for the future mailings referenced in this correspondence and call Labor First if you have any questions about the MAPD plan, experience provider-related issues, or require assistance with filling your prescription medications.

Conclusion

We expect that the transition to the MAPD plan will be smooth and seamless. We also expect Aetna® and Labor First to deliver on their promise to provide the highest level of service to you, your spouse, and your family.

We are required by law to give you the choice of opting out of the new MAPD plan. Please note that since you are currently enrolled in the Fund's medical coverage, there is most likely no reason why you would not participate in the new MAPD plan. If you opt out, you will have no coverage through the NASI Welfare Fund. However, if you have another plan through your spouse or if you would like to opt out for any reason, please call Labor First.

As a reminder, the MAPD plan is not available to active participants or individuals who are employed by a contributing employer. By accepting enrollment in the MAPD plan, you certify that: (1) you and your covered dependents are not actively employed with a contributing employer to the NASI Welfare Fund; and (2) you will notify Labor First or the Fund Office immediately if you or your covered dependents become actively employed by a contributing employer to the NASI Welfare Fund.

The Trustees will continue to monitor the Fund's resources to ensure it is able to provide high-quality health coverage to all participants for many years to come. If you have any questions about this notice, we encourage you to contact Labor First at 855-433-1675 (TTY 711).

A video presentation, the enclosed Frequently Asked Questions Sheet, and a Summary of Benefits explaining your new plan can be found at the link below starting **November 1st, 2022**.

This video will remain available to watch at your convenience.

www.laborfirst.com/NASI

While this notice is intended to summarize an adjustment to your benefits, in the event there is any discrepancy between this notice and the official plan documents, the official plan documents shall apply. The Trustees reserve the right to amend the National Automatic Sprinkler Industry Welfare Plan at any time. The terms of the separate, standalone, retiree-only Aetna® MAPD plan are determined by Aetna®.