
FOR YOUR BENEFIT

THE LOCAL 295/LOCAL 851 EMPLOYER GROUP BENEFIT FUNDS NEWSLETTER
VOL. VII, ISSUE 1, April, 2008

QUEST DIAGNOSTICS LABORATORY HAS DROPPED OUT OF THE NETWORK IN NEW JERSEY

Quest Diagnostics Laboratory is no longer a participating provider in the New Jersey Blue Cross/Blue Shield Program.

Tell your medical services provider... Be sure to tell your medical services provider that Quest isn't in the Blue Cross program. Ask your doctor or other health care services provider to use one of the Blue Cross network laboratory services. Horizon Blue Cross has made arrangements with LabCorp of America to be the preferred laboratory in New Jersey. LabCorp has many facilities in every New Jersey county. Other participating laboratories in New Jersey include Bio Reference Labs, Medilabs, Shiel Medical Laboratory and United Medical.

Make sure that your medical service provider does not send you or your specimen to Quest in New Jersey. If that happens, the claim will be treated as out of network and you will be responsible for payment of the major medical deductible and the co-insurance amount.

Out of network means out of pocket... All New Jersey claims for services of Quest Diagnostics will be processed as out-of-network claims. Out-of-network claims are paid under the major medical coverage of the Welfare Fund. Each person has to first meet the annual deductible of \$400. After the deductible has been met, the remainder of permissible plan charges is paid at the rate of 75%. If the permissible plan charges are \$400, for example, no payment would be made by the Plan. The full amount of the \$400 would go toward the annual deductible. A claim for \$500 of permissible plan charges would result in a payment of just \$75 and the patient would have to pay \$425 plus the costs that are over and above the permissible plan charges. When diagnostic laboratory services are provided by a network facility, the patients have little or no out-of-pocket expense.

No directories... Network provider directories are no longer being provided because network provider information is constantly changing. The Blue Cross/BlueShield network includes

hundreds of thousands of participating hospitals, other health care facilities, home health care agencies, doctors and other health care professionals throughout the United States, its territories and many foreign countries. Blue Cross has to make changes every day, adding new providers or changing their information or removing providers who have died, retired or gone out of business.

The participating provider network is maintained solely by Blue Cross/Blue Shield, not by the Welfare Fund.

Finding a network provider... You can find a network provider by calling the toll-free telephone number. It is 1 800 810 2583 (1 800 810 BLUE) or by signing on to the internet. www.empireblue.com is the internet address. ■

PHARMACY BENEFIT MANAGER HAS MOVED

The Welfare Fund's drug plan is provided by Broadreach Medical Resources, Inc. (BMRx.) BMRx has recently moved their office location. The new address is 1350 Broadway, Suite 1901, New York, New York 10018. The BMRx telephone number is 1 866 718 2375.

Retail purchase versus mail order... When you need to have a prescription filled, you have two choices.

Choice number one... You can take the prescription to any one of the more than 50,000 BMRx participating drug stores, pay a co-payment and get a thirty day supply of the drug.

Choice number two... If you need a maintenance drug, you can order your prescription through the mail order program. The amount of your co-payment is the same. The difference is that you will get a ninety day supply of the drug instead of a thirty day supply.

The co-payments... Three levels of co-payment are in effect. If you get a generic drug, the co-payment is just \$10. If you get a preferred brand-name drug, the co-payment is \$25 and if you get a non-preferred brand-name drug, you have to pay \$40. Your co-payments are \$2 more if your prescription is filled at CVS, Eckards
(continued on page 2)

(Pharmacy Benefit – continued from page 1)

or Walgreens. Remember, you get a thirty-day supply of your drug when your prescription is filled at a drug store and you get a ninety-day supply of the drug through the mail order program for the same amount of co-payment. You save from \$20 to \$80 for a three-month supply of your drugs by using the mail order feature of your prescription drug plan.

Specialty drug co-payment... Specialty drugs are high-cost medications for people with complex chronic conditions such as rheumatoid arthritis, hemophilia, cancer and multiple sclerosis. The prices of these drugs range from several hundred to several thousand dollars.

Prior to the program change in 2007, patients needing specialty drugs had to find a supplier, buy the drugs and then file a major medical claim with the Welfare Fund. The covered expense was subject to the major medical deductible and the rate of payment was 75% after the deductible was satisfied. When the specialty drugs were being covered by major medical, the Welfare Fund would pay just \$450 for the first \$1,000 of drug cost and \$750 for each \$1,000 after that. Now, the only patient out-of-pocket expense is a \$50 co-payment for a three-month supply of the specialty drug.

Website... For an overview of the services and tools available to participants and dependents, visit the BMRx website. www.BMR-INC.com is the website address. You can view your current plan coverage, find a participating pharmacy, view your claims history information, look up medications on the preferred drug list, search the frequently asked questions and learn how to use the mail service.

If you need to use the mail service for the first time, refill maintenance medication, check on the status of an order or update your mail order patient profile, call the Duane Reade Customer Service at 1 877 624 5797.

For information about your eligibility for benefits, contact the Welfare Fund Office at (212) 308 4200. ■

WELFARE FUND WILL PAY FOR DURABLE MEDICAL EQUIPMENT The Local 295/Local 851 Employer Group Welfare Fund provides coverage for durable medical equipment. If the equipment is prescribed by the

patient's doctor and if it meets the definition of durable medical equipment, the Welfare Fund can make a payment.

Payment in full through the network... When covered durable medical equipment is purchased through a network provider, the full cost will be paid with no deductible or co-payment required on the part of the patient. If the durable medical equipment is purchased out of network, coverage is provided through the major medical part of the benefit plan. Major medical coverage is subject to an annual deductible of \$400 per year for each person and then payment is made at the rate of 75% of the remainder of permissible plan charges. When durable medical equipment is purchased out of network, the patient will always have some out-of-pocket expense for the deductible, co-insurance and costs that are over and above the permissible plan charges.

Must meet the definition... Durable medical equipment is defined as equipment that is made for and mainly used in the treatment of a disease or injury and it is designed to withstand prolonged use. It is suited for use while not confined to a hospital and it is normally not of use to persons who do not have a disease or injury. Equipment or appliances used for altering air quality or temperature or for exercise or training is not covered.

Not covered just because the doctor prescribed it... The Welfare Fund will not cover your health club or gym membership cost or a treadmill or exercise bike even if your doctor has prescribed an exercise program for you. Likewise, no coverage is provided for air conditioners, dehumidifiers, humidifiers, air cleaners and similar equipment although your doctor may have prescribed it and even though you have some medical condition such as sleep apnea, asthma, allergies or bronchitis.

Other excluded over-the-counter items... The Plan provides no coverage for many other over-the-counter items such as crutches, splints, ace bandages, slings, supports, support hose or socks, canes, walkers, commodes and shower bars or handles.

To find a network provider... You can locate a Blue Cross network provider by calling 1 800 810 BLUE or by going to the Blue Cross website at www.empireblue.com. ■

WE CAN WITHHOLD FEDERAL INCOME TAX FROM YOUR PENSION PAYMENT

Having Federal Income Tax withheld from your monthly pension payment is one way for you to pay a portion of your income tax. If no tax or not enough tax is withheld over the course of a year, you may have to pay estimated quarterly taxes. If the amount of Federal Income Tax withheld and your quarterly payments are not enough, you could have a tax penalty assessed when you file your tax return for the year.

If you are receiving a retirement benefit from the Local 295/Local 851 Employer Group Pension Fund and you would like to have Federal Income Tax withheld, or if you would like have your tax amount increased or decreased, please contact the Pension Fund Office and ask for a withholding tax form. Complete the form and return it to the Pension Fund Office.

Your withholding tax choice will remain in effect until you change it again and you may change your election choice as often as you wish. The Pension Fund Office telephone number is (212) 308 4200. The Fund Office is located at Sixty Broad Street, 37th Floor, New York, New York 10004. ■

HEAD OFF IDENTITY THEFT FOR GOOD FINANCIAL HEALTH

The incidence of identity theft has been constantly increasing over the past several years. Many victims have experienced financial ruin when criminals dug through their garbage to find credit card offers, bank account numbers and other personal information. These thieves also steal mail from unsuspecting people and gain access to their bank accounts and other financial records.

You can minimize risk... Knowing some of the ways you could be at risk are the first steps in protecting your identity. Here are some recommendations to minimize the risks:

- Don't carry extra credit cards, your Social Security card, birth certificate or passport with you unless needed.
- Be sure that documents such as bank statements and credit card billings are stored in a secure place in your home or office – out of sight of prying eyes.
- When you no longer need bank statements, returned checks, receipts and other sensitive

information, shred the documents. Shredders for home use can be purchased for less than \$100.

- When your credit cards expire, cut the expired cards into little pieces. Put the pieces in your garbage with the potato peelings and coffee grounds.
- If you will be away from home, ask someone to collect your mail and your newspapers or stop delivery of both. Promptly remove mail from your mailbox. Uncollected mail is an invitation for thieves to steal it or to break into your home.
- If you conduct business on line, use your own computer.
- File away a listing of all of your credit card account numbers, the expiration dates and telephone numbers.
- When you create passwords and PINs, use a random mix of letters and numbers.

Suspect a problem? Take immediate action...

If you do suspect that your identity has been compromised, you should immediately:

- Make an identity-theft report to the police and get a copy of the report.
- Place a fraud alert with the three major credit bureaus.
- File a complaint with the Federal Trade Commission's identity theft hotline at 1 877 438 4338.

The major credit bureaus are:

- Equifax – Telephone Number: 1 888 766 0008 – Website: www.equifax.com
- Experian – Telephone Number: 1 888 397 3742 – Website: www.experian.com
- Trans-Union – Telephone Number: 1 800 680 7289 – Website: www.transunion.com

If you have been a victim of internet crime, notify the Internet Crime Complaint Center, a partnership between the FBI and the National White Collar Crime Center (NW3C). You can file a complaint on line. www.ic3.gov is the website address.

More information... You can get more information about identity theft by visiting the Federal Trade Commission's identity theft site at www.ftc.gov/bcp/edu/microsites/idtheft/ or the NW3C's and FBI's joint site. ■

OUT OF NETWORK MEDICAL CARE CAUSES HIGHER OUT-OF-POCKET EXPENSE Claims for all out-of-network medical care are processed under the major medical part of the Welfare Fund.

Deductible and co-insurance... Major medical claims are subject to an annual deductible. After the annual deductible is met, the Welfare Fund rate of payment is 75% of the remaining permissible plan charges that are over and above the deductible amount. The patient has responsibility for payment of the other 25%. The 75% - 25% cost sharing is referred to as co-insurance. The patient also has to pay any amounts that are over and above the permissible plan charges.

The deductible amount is \$400 per individual per calendar year and the family maximum is \$1,200 per calendar year. When the \$1,200 annual family deductible has been satisfied, no further deductible will be applied for the remainder of the calendar year. The annual family deductible of \$1,200 can be met for the year when the deductible amounts for all family members in combination reaches the \$1,200 mark.

The major medical maximum coverage is \$250,000 per illness. Out-of-network expenses that are over and above the maximum are the patient's responsibility.

Network out-of-pocket cost is less... No deductible or co-insurance provisions apply to claims of network providers. Some small co-payments are required for some medical services of network providers. The co-payment

is \$20 for primary care doctor's office visits and \$35 for specialist's office visits. Well baby and routine wellness care, gynecological exams, annual pap tests, mammography, prostate exams, PSA tests, immunizations and colorectal cancer screenings are provided at no cost except for a \$20 or \$35 co-payment for the office visit. Annual checkups are covered in full up to \$120 for children and up to \$200 for adults. Co-payments are required for annual checkups and the patients could have to pay costs that are in excess of the \$120 or \$200 of coverage. No co-payment is required for laboratory services and a \$20 co-payment is required for X-rays. Small co-payments are required for physical therapy, speech therapy and urgent care center services. Refer to the article on page 1 of this newsletter for prescription drug co-payment information. Confinement to a network hospital is covered in full with no patient cost except for personal care services, telephone and television.

No network maximum benefit... Unlike the major medical coverage, no benefit maximum applies when patients receive covered medical, surgical and hospital services of network providers. Hospital bills ranging from \$50,000 to \$100,000 are very common. If the patient is confined to a network hospital, the out-of-pocket expense will be very low but if the patient is confined to an out-of-network hospital, the out-of-pocket expense will be very high.

Make sure that your health care provider is in the network by calling 1 800 810 2583 or go to www.empireblue.com on the internet. ■

LOCAL 295/LOCAL 851 IBT EMPLOYER GROUP PENSION TRUST FUND AND EMPLOYER GROUP WELFARE FUND SIXTY BROAD STREET, 37TH FLOOR NEW YORK, NEW YORK 10004