

October 2024

To: Medicare-Eligible Retirees currently enrolled in the UnitedHealthcare Group Medicare Advantage (PPO) plan

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

Re: **IMPORTANT NOTICE** – Medicare plan change effective January 1, 2025

The Operating Engineers Local 49 Health and Welfare Fund Board of Trustees regularly evaluates the benefits the Fund provides as well as the service providers it hires to deliver your benefits in the most efficient and cost-effective manner. After careful consideration, the Board of Trustees has made the following change to the Plan:

Following recent legislative changes to Medicare plan benefits and ongoing negotiations between UnitedHealthcare (UHC) and large providers in the area, the Board has decided to change the Fund's Medicare plan offering. Effective January 1, 2025, Blue Cross and Blue Shield of Minnesota (Blue Cross) Medicare Supplement Group Senior Gold and Group MedicareBlue Rx prescription drug plan (PDP) will replace the current medical and prescription plans through UHC and Sav-Rx.

If you are currently enrolled in the UHC Group Medicare Advantage (PPO) plan, you will be enrolled automatically in the new Blue Cross coverage that includes a medical Part D prescription drug benefit. You must continue to pay your Medicare Part B premium to Social Security in order to be eligible for coverage under the Fund's Medicare Supplement plan.

You are not required to take any action unless you want to opt out of the new coverage. Blue Cross will be mailing information regarding the process to opt out of coverage by the end of November. However, before doing so, please consider that if you opt out, you cannot re-enroll in the Fund's retiree benefits. Members covered by the new plan coverage will receive new member ID cards in December from Blue Cross. Group MedicareBlue Rx will mail you an Acknowledgement letter prior to you receiving the new member id card. This can be presented to your pharmacy to fill prescription drugs.

This change is expected to maintain provider access and provide cost-effective benefits for the Fund and Participants. Please know that this change will not have a significant impact on the medical plan design. If your Medicare Part A effective date is effective 1/1/2020 or later, you will be required to pay the annual Original Medicare Part B deductible that is currently \$240 and projected to change effective 1/1/2025. Once this deductible is satisfied, the Group Senior Gold will provide 100% coverage for all Medicare Part B services.

Furthermore, the prescription drug plan will include improvements to prescription drug coinsurance (from 25% to 20% for non-specialty drugs) and a reduction in the Medicare Part D Catastrophic Phase from a \$8,000 threshold to a \$2,000.

ABOUT THE NEW PLANS

Group Senior Gold is secondary to Medicare and is paired with prescription drug coverage (Part D) called Group MedicareBlue Rx. Your medical claims will be submitted to Medicare first and then are electronically transmitted to Blue Cross once Medicare processes its portion of the claim. Effective January 1, 2025, you should show your red, white & blue Medicare card and the Blue Cross Medicare Supplement card to medical providers.

If your Medicare card was lost, stolen, or destroyed, you can request a replacement online at Medicare.gov. You can print an official copy of your card from your online Medicare account or call 1-800-MEDICARE (1-800-633-4227 TTY 1-877-486-2048) to order a replacement card to be sent in the mail.

Prescription drug benefits will be provided by Group MedicareBlue Rx and you will have a separate member identification card for your Part D coverage. Effective January 1, 2025, you will need to show either your Acknowledgement letter or Group MedicareBlue Rx id card and will no longer need to show two member ID cards when you fill a prescription.

Additionally, beginning January 1, 2025, you can ask your pharmacy for a transition fill on your prescription drug if it requires a formulary exception approval, prior authorization, step therapy, or quantity limit. A letter will be mailed in this instance to explain the next steps in order to get the necessary authorizations in place for your prescription drug.

WHAT'S NEXT?

The transition to Blue Cross Blue Shield is expected to be straightforward with minimal interruption. Over the next several weeks, you will receive more detailed information about the change and what it means for you. In addition, in conjunction with your new coverage with BCBS effective January 1, 2025, please expect a disenrollment or termination notice from your current Group Medicare Advantage (PPO) plan, UnitedHealthcare, informing you of the termination of your existing coverage. Receipt of this notice is fully expected and should not cause any concern.

Plan to attend the upcoming holiday parties to learn more about the new plan coverage. Blue Cross and Blue Shield of Minnesota representatives will be available to answer your questions.