

For Your Benefit

Change in Life Insurance Beneficiary Payment Process. No Change in Benefit.

Material Modification

Below is a Summary of Material Modification (change) to your Summary Plan Description booklet. Please keep this notice with your booklet so you will have it when you need to refer to it.

The Board of Trustees of the Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Fund ("Fund") has adopted the following clarification to the Fund's Summary Plan Description ("SPD") regarding the default payment method applicable to the life insurance benefit under the Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Plans I, X, and XX. Please keep this document with your SPD.

The following language is added to the end of the Life Benefit and Accidental Death and Dismemberment sections of your SPD:

DEFAULT PAYMENT FORM FOR LIFE INSURANCE BENEFIT AND ACCIDENTAL DEATH AND DISMEMBERMENT

1. Beneficiaries who are residents of Maryland, Virginia or the District of Columbia and are eligible to receive a life benefit or accidental death & dismemberment benefit

of less than \$5,000 will receive their payment in one lump sum, unless the Beneficiary elects another form of payment from the options available.

2. Beneficiaries who are residents of Maryland, Virginia and the District of Columbia, and are eligible to receive a life benefit or accidental death & dismemberment benefit of \$5,000 or greater will have their payment deposited into a Personal Transition Account in the Beneficiary's name, established and maintained by ING/ReliaStar, unless the Beneficiary elects another form of payment from the options available. The proceeds in the Account will earn interest at a guaranteed minimum rate, and the Beneficiary may write drafts against the Account of at least \$250 at a time, up to the full amount of the Account. The Beneficiary may close the Account at any time by requesting payment of the full balance of the Account. ING/ReliaStar will maintain the Account and will periodically request that the Beneficiary confirm his/her intent to continue the Account. If the Beneficiary does not affirmatively confirm his/her intent



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Notice of Creditable Coverage
Cut and Keep. See page 6.

Notice of Availability of Pension Statement
See page 7.

The purpose of this newsletter is to explain your benefits in easy, uncomplicated language. It is not as specific or detailed as the formal Plan documents. Nothing in this newsletter is intended to be specific medical, financial, tax, or personal guidance for you to follow. If for any reason, the information in this newsletter conflicts with the formal Plan documents, the formal Plan documents always govern.

Change in Retiree Co-Payments July 1, 2012 – June 30, 2013

The following article applies to participants who have retiree Health and Welfare benefits through the Fund.

Retiree co-payments changed on July 1, 2012. Letters were mailed notifying retirees of the new rates. See the chart below to find the category that applies to you.

FELRA & UFCW HEALTH AND WELFARE FUND RETIREE CO-PAY RATE CHART JULY 1, 2012 – JUNE 30, 2013

CATEGORY	STATUS AT RETIREMENT		COVERAGE	FAMILY OR INDIVIDUAL	OUT OF AREA RATE	HMO RATE
	AGE	SERVICE				
A	At Least 60	At Least 30 Years	Regular	Family	\$201	\$87
			Regular	Individual	118	36
			Mixed	Family	203	59
			Medicare	Individual	64	22
			Medicare	Family	95	45
B	Less Than 60	At Least 30 Years	Regular	Family	\$398	\$240
			Regular	Individual	243	104
			Mixed	Family	403	178
			Medicare	Individual	122	73
			Medicare	Family	193	119
C	At Least 60	At Least 25 Years	Regular	Family	\$398	\$240
			Regular	Individual	243	104
			Mixed	Family	403	178
			Medicare	Individual	122	73
			Medicare	Family	193	119
D	At Least 55	At Least 20 Years	Regular	Family	\$798	\$568
			Regular	Individual	485	405
			Mixed	Family	809	476
			Medicare	Individual	250	93
			Medicare	Family	385	133
E	Retired @ 9/1/92	Less Than 20 Years	Regular	Family	N/A	N/A
			Regular	Individual	N/A	\$558
			Mixed	Family	\$1,011	590
			Medicare	Individual	309	109
			Medicare	Family	481	153
F	Disability Retiree	At Least 10 Years	Regular	Family	\$398	\$240
			Regular	Individual	243	104
			Mixed	Family	403	178
			Medicare	Individual	122	73
			Medicare	Family	193	119



Landover Fund Office Has New Four-Digit Zip Code

The zip code for our Landover office has changed from 20785-2210 to 20785-6102. The four digit extension "6102" identifies the Suite Number 201 at 4301 Garden City Drive in Landover.

Beginning in January 2013, the US Postal Service is not required to deliver mail that does not have the proper four-digit extension of 6102. This means that **mail may not be delivered** to our Landover office unless all the numbers are correctly shown on the envelope.

When sending correspondence to the Landover Fund office, please address it to:

Fund Office
4301 Garden City Drive
Suite 201
Landover, Maryland 20785-**6102**

Dental Coverage When Using A Non-Participating GDS Provider

Your plan of benefits provides coverage for dental benefits including exams, x-rays, cleaning, amalgam fillings, and simple extractions, when the service is provided through Group Dental Service of Maryland, Inc. ("GDS"). Except as provided below, **any service you receive from a dentist who does not participate with GDS will not be covered under the Fund.**

You may use a non-participating GDS dentist and receive coverage only:

- When referred by a participating dentist to a non-participating specialist;
- When authorized in advance by GDS;
- In the case of a dental emergency which occurs more than 50 miles from the participant's primary dentist and if the participant or eligible dependent is temporarily away from home and outside the GDS service area,

GDS will reimburse the participant for dental expenses relating to minor procedures for the palliative relief of pain to a limit of fifty dollars per occurrence; or

- When the participant does not live or work within 20 miles or 30 minutes of a participating dentist. Before using a non-participating dentist under this geographical exception, you should verify with GDS that it has no facilities within 20 miles or 30 minutes of your home or work, before your appointment.

New Claims Address for Group Dental Services

Dental claims should be sent to:
Group Dental Service of Maryland, Inc.
P.O. Box 7804
London, KY 40742

NOTE: Most of the time your dentist files the claim for you.

Contraceptives for Dependents Covered Only If Medically Necessary

The Fund will provide coverage for contraceptives for a dependent daughter **only if it is medically necessary**. Contraceptives for dependent daughters are not covered for contraception purposes (birth control). For this reason, if your daughter has a medical condition which requires a contraceptive prescription, her doctor **must** note that the prescription is for the treatment of a medical condition, not birth control, in order for it to be covered.



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to keep the Account active, and if there is no financial activity with the Account (excluding credited interest) or other customer initiated activity for a period of 18 months, ING/ReliaStar will close the Account. Upon closing the Account, ING/ReliaStar will pay out the remaining proceeds to the Beneficiary. If ING/ReliaStar cannot locate the Beneficiary, it will pay any remaining funds to the state government in the state in which the Account was established.

The default payment option for Beneficiaries residing in other states may be different. For more information on those benefit options, please contact ING at 888-238-4840.

3. her intent to keep the Account active, and if there is no financial activity with the Account (excluding credited interest) or other customer initiated activity for a period of 18 months, ING/ReliaStar will close the Account. Upon closing the Account, ING/ReliaStar will pay out the remaining proceeds to the Beneficiary. If ING/ReliaStar cannot locate the Beneficiary, it will pay any remaining funds to the state government in the state in which the Account was established.

The default payment option for Beneficiaries residing in other states may be different. For more information on those benefit options, please contact ING at 888-238-4840.

Helpful Reminders

The following applies to participants who have Fund medical coverage, not an HMO.

You are responsible for the full cost of Non-Covered Services

CareFirst does not discount non-covered services such as physicals for teenagers (or other "well" services), infertility treatments, hearing aids, cosmetic procedures, or immunizations for children over age 5 (except for covered flu shots). You are responsible for the entire cost of the treatment, even if you use a CareFirst provider.

You Must Use Quest Or LabCorp For Lab Coverage

When you need lab work done, be

sure to tell your doctor that you must have work performed by a Quest Diagnostic Patient Service Center ("Quest") or Lab Corporation ("LabCorp") facility to have coverage under your Plan of benefits.

Mammograms Are Covered For Women Age 40 And Over

Routine annual mammograms are covered for participants and eligible dependent age 40 and over. In certain places, the Summary Plan Description booklet uses the phrase "over the age of 39 years." This means that you must be age 40 or over for annual routine mammograms to be covered.

Routine PSA Test Once Per Year

A routine PSA (prostate specific antigen) test for male participants and dependents age 50 and over is covered under your medical benefits at 100%, up to the UCR amount, with no deductible, once every 12 months.

Routine Colonoscopy Once Every 5 Years

A routine colonoscopy is covered for participants and dependents age 50 and over, once every five years. The test is covered at 100%, up to the UCR amount, with no deductible.

Apply Now for FELRA & UFCW's 2013 Annual Scholarship Awards

The FELRA & UFCW Health and Welfare Fund will once again be awarding scholarships to a select number of participants and dependents. Please complete the preliminary application below and mail it to the Fund office postmarked by **December 31, 2012**. You may also print the form by logging onto www.associated-admin.com. Click on "Your Benefits" located at the left side of the screen and select FELRA. From there you can print the "Preliminary Scholarship Application" form under the word "Downloads." Late applications will not be accepted.

Key points to remember:

- **Only those currently employed by Giant, Safeway, and Fresh and Green's, and their dependents, are eligible.**

- The participant must have at least one uninterrupted Year of Service as of December 31, 2012. In addition, dependent applicants must be under the age of 24 on December 31, 2012.
- If your dependent does not have medical coverage through the Fund, please include a copy of a marriage certificate (if spouse), or birth certificate or custody order (if child) with the preliminary application.
- Please submit only one preliminary application per applicant.

If the above requirements are met and eligibility is verified, a formal application will be mailed to the applicant in January 2013.

**United Food and Commercial Workers
and Food Employers Labor Relations Association
Scholarship Fund**

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

*A Program of the
FELRA and UFCW
Health & Welfare Fund*

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

2013 Annual Scholarship Awards

Attention: Employees of Giant, Safeway, and Fresh and Green's

If you work for a company listed above, under the provisions of your employer's collective bargaining agreement, you and your dependents may be eligible to apply for a scholarship from the UFCW and FELRA Scholarship Fund.

The Scholarship Fund expects to be awarding scholarships to a select number of eligible participants and their dependents who will be attending college or a university as a full-time student in the fall of 2013. Participants and their dependents are eligible to apply for a scholarship award if the participant completes at **least one uninterrupted year of Service as of December 31, 2012 and is actively employed as of that date.** In addition, dependent applicants must be **under the age of 24 on December 31, 2012.**

Applicants who submit preliminary applications and meet the initial scholarship award requirements will be **mailed a full application in early January 2013.**

IMPORTANT: If your dependent does not have medical coverage through the Fund office, please include a copy of a marriage certificate (if spouse), or birth certificate or custody order (if child) with the preliminary application.

PRELIMINARY APPLICATION MUST BE POSTMARKED BY DECEMBER 31, 2012.

Cut, complete and mail to: UFCW & FELRA Scholarship Fund, 911 Ridgebrook Road, Sparks, MD 21152-9451.

Employee's Information:

Name (Please Print) _____ Social Security Number _____

Employer _____ Employee's Email Address _____

Home Address _____
Street Number _____ City _____ State _____ Zip Code _____

Applicant's Information:

Name (Please Print) _____ Social Security Number _____

Home Address _____
(if different from Employee's address) Street Number _____ City _____ State _____ Zip Code _____

Date of Birth (If Dependent of Employee) _____ Email Address _____

Remember: Entry Deadline Is December 31, 2012.

Notice of Creditable Coverage Regarding Your Prescription Drug Benefit

IMPORTANT!
Keep This Notice

The following Notice of Creditable Coverage applies to all Medicare-eligible participants, retirees, and/or dependent spouses.

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the FELRA & UFCW Health and 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. The FELRA and UFCW Health and Welfare Fund has determined that the prescription drug coverage offered by the 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 thereafter from October 15th to 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 FELRA and UFCW Health and Welfare Fund coverage will

be affected. See below for more information about what happens to your current coverage if you join a Medicare drug plan.

You cannot have both Medicare prescription drug coverage and prescription drug coverage through the Fund at the same time. If you do decide to join a Medicare drug plan and drop your FELRA and UFCW Health and Welfare prescription drug coverage, be aware that you and your dependents may not be able to get the same 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 the FELRA and UFCW Health and 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.

Note to Kaiser Medicare HMO Enrollees

You will get a notice from Kaiser Permanente that you are enrolled in Medicare Part D. Your coverage for medical and/or prescription drug benefits through Kaiser will remain the same.

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

Contact the Fund office for further information at (800) 638-2972 or (410) 683-6500. **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 the FELRA and UFCW Health and 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: September 1, 2012
Name of Entity/Sender: Fund Office
FELRA and UFCW
Health and Welfare Fund
911 Ridgebrook Road
Sparks, Maryland 21152-9451
Phone Number: (800) 638-2972 or
(410) 683-6500



Availability of Pension Statement

The following article applies to Active participants only. It does not apply to Retirees.

Under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), you have the right to request a pension benefit statement annually. You are entitled to one (1) benefit statement per year.

To receive your statement, you must complete a Benefit Service Request form. To get this form, you can:

- Log on to www.associated-admin.com. Click on “FELRA” located at the left of the screen. Select and print the “Benefit Service Request” form, or
- Call the Fund office at (410) 683-6500 or toll-free (800) 638-2972.

Complete all the information on the form and return it to the Fund office. It will take approximately 6–8 weeks for us to prepare your statement. There is no charge for a Benefit Statement.



FELRA Pensioners: Make Sure Your Beneficiary Designation Is Current

Under the FELRA and UFCW Pension Fund, upon the death of any pensioner (except a pensioner receiving a deferred vested pension), the pensioner’s beneficiary will receive a death benefit. To be sure that this benefit is paid to the person you select, please make sure that your beneficiary designation form is up to date.

You can print this form from your computer by logging on to www.associated-admin.com. Click on “Your Benefits” located at the left of the screen. Select “FELRA” and print the “Change in Beneficiary” form. You can also call the Fund office at (410) 683-6500 or toll-free (800) 638-2972.

Specialty Drugs Added Under Accredo's Specialty Pharmacy

Express Scripts (Medco) announced that seven new specialty drugs have been added to Accredo's Specialty Pharmacy:

1. **HPN-100 (Ravicti, glycerol phenylbutyrate)**
Used to treat urea cycle disorder (UCD). Also known as hyperammonemia.
2. **Cysteamine Delayed-Release (DR)**
Used to treat Nephropathic cystinosis.
3. **Metreleptin**
Used to treat diabetes and/or hypertriglycemia in patients with rare forms of lipodystrophy unresponsive to conventional therapies.
4. **Tofacitinib**
Used to treat moderate to severe rheumatoid arthritis (RA).
5. **Lixivaptan**
Used to treat hyponatremia.

6. **Bosutinib**
Used for previously treated Philadelphia chromosome positive (Ph+) chronic myeloid.
7. **BG-12 (dimethyl fumarate)**
Used to treat relapsing-remitting multiple sclerosis (MS).

If you are prescribed these drugs, or any other specialty medication, you must use the Accredo Mail Order Specialty (through Express Scripts/Medco). Call Accredo toll free at (800) 803-2523.



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