

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 & UFCW Health & Welfare Fund (Active and Retiree Plans) 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).

Date: September 1, 2013

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

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).

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FELRA & UFCW
Health and Welfare Fund
911 Ridgebrook Rd.
Sparks, MD 21152-9451



FOOD EMPLOYERS LABOR RELATIONS ASSOCIATION & UNITED FOOD AND COMMERCIAL WORKERS FUNDS

Open Enrollment for Medical Coverage Ends October 15th.

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For Your Benefit

Summary of Benefits and Coverage Notice Sent

The FELRA and UFCW Health & Welfare Fund ("Fund") recently sent you a Summary of Benefits and Coverage (SBC) relating to your benefits under the Fund, as required by federal law. The SBC contains general information about your Plan of benefits. For more detailed information, please refer to your Summary Plan Description ("SPD") booklet and the Summary of Material

Modifications ("SMMs") relating to your specific benefit coverage.

The SPD and SMMs are available online by logging on to www.associated-admin.com, clicking on "Your Benefits," located at the left side of the screen, and selecting "FELRA." You can also contact the Fund office for the SPD booklet specific to your coverage.

Notice of Creditable Coverage

Cut and Keep. See page 7.

Notice of Availability of Pension Statement

See page 4.



Physician's Assistants, Nurse Practitioners and Certified Surgical Assistants Are Covered Practitioners

The following is a Summary of Material Modifications ("SMM"). Keep this SMM with your Summary Plan Description booklet. The article applies to non-Medicare participants and eligible dependents whose medical coverage is provided through the Fund, not an HMO.

Effective May 22, 2013, the Board of Trustees approved coverage for the services of Physician's Assistants (PA) and Nurse Practitioners (NP), to the extent those services would be covered under the Plan if performed by a physician. Coverage will be provided under Major Medical at 80%, up to the usual, customary and reasonable ("UCR") rate if you are in Plans I or X, or at 75%, up to the UCR, if you are in Plan XX. The annual deductible applies.

The Board also approved coverage of Certified Surgical Assistants, Physician's Assistants and Nurse Practitioners when he/she performs services as an assistant during surgery.



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.

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Retiree Co-Payments

At this time, retiree co-payments are not changing. If the co-pay rates change in the future, you will be notified by letter.

Medicare Eligible Retirees: If You Leave Kaiser HMO Coverage, You Will Lose Fund Medical And Prescription Drug Coverage

The following article applies to Medicare-eligible retirees who are enrolled in Kaiser Medicare HMO.

Medicare-eligible retirees who have HMO coverage through Kaiser Permanente, but decide to switch to another HMO, will lose medical and prescription drug coverage through the Fund and Kaiser. You can continue to receive optical and dental benefits, but you would be paying the full health and welfare co-payment for just optical and dental.

You cannot be enrolled in two Medicare HMOs at the same time. If you enroll in another HMO, you will automatically be disenrolled by Kaiser. Also, if you leave Kaiser and enroll in another HMO, you cannot re-enroll in the Fund later.

Remember, if you terminate your coverage under the Fund, your spouse's and/or dependent children's coverage under the Fund will also terminate.

Medicare Participants: Beware of Prescription Drug ID Cards that Come in the Mail

A reminder to retirees: You should **not** enroll in a Medicare Part D prescription plan if you want to keep Fund prescription drug coverage. The Fund's prescription benefits have been determined to be equal to or greater than Medicare Part D coverage. **If you enroll in Medicare Part D with another vendor, you will lose Fund prescription coverage.**

If you get a prescription drug ID card from a place you don't recognize, call the issuer and ask to be disenrolled. Some plans have "auto-enroll" features which enroll a person without his knowledge or consent. **Don't just throw out the ID card—call them!**

You **must** call the vendor and say, "I don't want it, I did not enroll, and I want a disenrollment form showing that I am **out** of it." Once you receive a disenrollment form, send it to the Fund office. This way the Fund office will know that you did not elect Medicare Part D prescription drug coverage from a vendor, and you want to keep your benefits under the Fund.

Fund will continue to offer you retiree health and welfare benefits under the Coordination of Benefits rules of the Fund. The Fund will continue to cover you as primary if your other employer does not pay at least 80% of the cost of coverage.

2. We need to receive a new letter each year from your employer, even if you are working for the same employer and nothing has changed. Why? Because we have no way of knowing nothing has changed. Plans change, the amount of employer contributions change, and what is true this year may not be true next year.

If you have questions, contact the Fund office at (800) 638-2972. We'll be glad to help you.

Material Modifications

Severance – Collection of Overpayments

The following is a Summary of Material Modifications ("SMM"). Keep this SMM with your Summary Plan Description booklet.

The Board of Trustees of the FELRA and UFCW Health and Welfare Fund has adopted the following change to the UFCW and FELRA Severance Plan, a program of the FELRA and UFCW Health and Welfare Fund.



Effective November 12, 2012, the following language is added to the end of the "Form of Payment" section of your Severance SPD:

If the FELRA and UFCW Health and Welfare Fund ("Health Fund"), of which the Severance Fund is a program of benefits, makes an

overpayment of benefits to you or your dependents or Beneficiaries for any reason, the Health Fund is entitled to recover such overpaid benefits from you and/or your dependents and Beneficiaries. You and/or your dependents and Beneficiaries also

will be required to pay interest on the overpaid benefits at the rate determined by the Trustees.

The Health Fund may recover the overpayment by offsetting any welfare or severance benefits otherwise

payable to you or your dependents and Beneficiaries by the Fund until the entire overpayment has been recovered. In addition to its right to offset, the Health Fund also may recover overpaid benefits by pursuing legal action against you and/or your dependents and Beneficiaries. If the Health Fund must pursue legal action against you and/or your

dependents and Beneficiaries, you will be responsible to the Health Fund for all costs and expenses, including attorneys' fees and costs, incurred by the Health Fund in connection with such legal action.

The Health Fund has a constructive trust, lien and/or an equitable lien by agreement on any overpayment, including amounts held by a third party, such as an attorney. Any such amount will be held in trust by you and your dependents and Beneficiaries or the third party, for the benefit of the Health Fund, until paid to the Health Fund. By accepting benefits from the Health Fund, you and your dependents and Beneficiaries agree that a constructive trust, lien and/or equitable lien by agreement exists in favor of the Health Fund with regard to the overpayment. As a condition of accepting benefits from the Health Fund, you and your dependents and Beneficiaries also agree to waive any applicable statute of limitations defense available regarding the enforcement of any of the Health Fund's rights to recover any overpayments.

Your SPD Is Also Your Plan Document

The following is a Summary of Material Modification ("SMM"). Keep this SMM with your Summary Plan Description booklet.

Effective March 2012, the Board of Trustees of the FELRA and UFCW Health and Welfare Fund adopted the following clarification to the Fund's Summary Plan Descriptions ("SPDs") for the FELRA & UFCW Active Health and Welfare Plan and the FELRA & UFCW Retiree Health and Welfare Plan.

The following sentence is added to the beginning of your SPD:

This document functions as both the Plan Document and the Summary Plan Description for purposes of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Please contact the Fund office if you have any questions about this change.

Pensioners: Make Sure Your Beneficiary Designation Is Current

Under the FELRA and UFCW Pension Fund and the Mid-Atlantic UFCW & Participating Employers 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.

Coverage for Routine Tests (Colonoscopy, Mammogram, Gyn Exam, PSA)

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

• Routine Colonoscopy

Your Plan of benefits includes coverage for a routine colonoscopy for participants and dependents age 50 and over once every five years. The test is covered at 100% up to the usual, customary, and reasonable ("UCR") amount with no deductible.

• Routine Mammogram

A routine annual mammogram is covered for participants and eligible dependent age 40 and over under your Major Medical at 80%, up to the UCR rate if you are in Plan I or X, or at 75%, up to the UCR, if you are in Plan XX. The annual deductible applies.

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 Gynecological Exam

An annual gynecological exam is covered without the requirement that a PAP test be performed during the exam. Coverage for a gynecological exam is provided under your Major Medical at 80%, up to the UCR rate if you are in Plan I or X, or at 75%, up to the UCR, if you are in Plan XX. The annual deductible applies.

• Routine PSA Test

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.

Apply Now for FELRA & UFCW's 2014 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 on page 5 and mail it to the Fund office postmarked by **December 31, 2013**. 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 be employed at the time the scholarship is awarded.**

• The participant must have at least one uninterrupted Year of Service as of December 31, 2013. In addition, dependent applicants must be under the age of 24 on December 31, 2013.

• 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.

If the above requirements are met and eligibility is verified, a formal application will be mailed to the applicant in January 2014.

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

2014 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 2014. 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, 2013 and is actively employed as of that date**. In addition, dependent applicants must be **under the age of 24 on December 31, 2013**.

Applicants who submit preliminary applications and meet the initial scholarship award requirements will be **mailed a full application in early January 2014**.

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, 2013.

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 _____

Employee's Home Address _____
Street Number _____

City _____ State _____ Zip Code _____

Applicant's Information:

Name (Please Print) _____ Social Security Number _____

Applicant's 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, 2013.

What Are The Types Of Pension Benefits?

Your employer makes contributions on your behalf to the Pension Fund. Refer to your collective bargaining agreement for the contribution rate that applies to you. Below are various types of pensions under the Plan.



TIER I REQUIREMENTS	
Type of Benefit	Age and Service Requirement
Normal Retirement Pension	Age 65 and Vested.
Early Retirement Pension, Non-Reduced	Age 60 and at least 5 years Benefit Service.
Early Retirement Pension, Reduced (Tier I Reduced to Age 60)	Age 55 and at least 15 years of Benefit Service, or Age 55 and at least 15 years continuous full time employment with the same Participating Employer, at least 5 years of which are Benefit Service.
Thirty & Out Retirement Pension	Any age and at least 30 years Benefit Service.
Disability Retirement Pension	Any age and at least 10 years Benefit Service. Must have a Social Security Disability Award.
Deferred Vested Retirement Pension	Age 60 and Vested.
Pre-Retirement Spouse's Pension	Vested and married one year before death.
Five Year Certain Benefit	Retired and Vested, provided that your last employer was contributing at a Tier I contribution rate or the higher Tier II hourly contribution rate.
Joint and Survivor Pension	Retired and married on benefit commencement date and married at least one year before death.
Retiree Death Benefit	\$2,500 if majority of service was Tier I full time. \$1,000 if majority of service was Tier I part time.

TIER II REQUIREMENTS	
Type of Benefit	Age and Service Requirement
Normal Retirement Pension	Age 65 and Vested.
Early Retirement Pension, Reduced (Tier II Reduced to Age 65)	Age 55 and at least 15 years of Benefit Service, or Age 55 and at least 15 years continuous full time employment with the same Participating Employer, at least 5 years of which are Benefit Service or Age 62 and at least 10 years of Benefit Service.
Disability Retirement Pension	Any age and at least 10 years Benefit Service. Must have a Social Security Disability Award.
Deferred Vested Retirement Pension	Age 65 and Vested.
Pre-Retirement Spouse's Pension	Vested and married one year before death.
Joint and Survivor Pension	Retired, married on benefit commencement date and married at least one year before death.
Five Year Certain Benefit	Retired and Vested.
Retiree Death Benefit	\$2,500 if majority of service was at the highest Tier II contribution rate. \$1,000 if majority of service was at the lowest Tier II contribution rate.

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 "Your Benefits" located at the left of the screen. Select

"FELRA" 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 4 - 6 weeks for us to prepare your statement. There is no charge for a Benefit Statement.

Important!
Keep this Notice.

Notice of Creditable Coverage Regarding Your Prescription Drug Benefit

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 & Welfare Fund (Active and Retiree Plans) 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 & UFCW Health & Welfare Fund (Active and Retiree Plans) 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 & UFCW Health & Welfare Fund (Active and Retiree Plans) 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 & UFCW Health & Welfare Fund (Active and Retiree Plans) 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 & UFCW Health & Welfare Fund (Active and Retiree Plans) 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.