

FUND NEWS AND NOTES

Greetings,

Your health care is delivered by one of the most unique and cost efficient systems and is often used as the model in describing the health care reform being implemented in this country. The vast majority of your medical needs are available through our free-standing medical facility (UHS) and its network of satellite offices in the Chicagoland area.

One of your responsibilities when you do encounter medical services outside of UHS is to file a "Claim Statement" with the Fund Office. A sample form is enclosed with this newsletter, and blank forms are available from our web site, www.seiu25.org or from the Fund Office.

This same "Claim Statement" form can be used to inform the Fund Office of urgent or pre-services claims. The federal government has established time frames for each of the following categories of potential claims. You can read more about these regulations and requirements in your copy of the Summary Plan Description (SPD) booklet.

<u>Type of Claim</u>	<u>Response Within</u>
Urgent Care	12 hours
Pre Service	15 days
Post Service	30 days
Disability	45 days

As we do each year . . . the Local 25 SEIU Fund Office would like to remind you, once again, why you should coordinate all medical care for you and your family through Union Health Service.

UHS physicians will not only treat you on an outpatient basis, but will admit you to the hospital if you need inpatient care. UHS physicians are available by telephone 24 hours a day, 7 days a week.

DURING BUSINESS HOURS

- Dial 1-312-423-4200
- Dial 1 (English) 2 (Spanish) 3 (Polish) 4 (Serbo-Croatian)
- Dial 0 for the operator who will then transfer you to the proper extension for your health care needs.

AFTER HOURS

Dial 1-312-423-4200. When the answering service responds, provide your name, telephone number, your UHS doctor's name, and an explanation of your health problem. A UHS doctor will call you back to let you know what to do.

IMPORTANT REMINDER ABOUT EMERGENCY ROOM TREATMENT

Emergency room (ER) visits should not be used for non-emergency services. Patients should call the 24-hour on-call physician at UHS prior to ER visits unless it is a life threatening situation.

Your ER benefits are paid at 100% when the patient is directed to the ER by UHS, or the emergency meets the Plan's definition of an emergency (In-Plan). The definition of emergency is outlined in the Definitions section of your Summary Plan Description.

In cases where a patient is not directed by UHS, or the emergency does not meet the Plan's definition of an emergency (Out-of-Plan) the patient will pay a \$500 deductible per visit and will pay 20% of charges thereafter.

SUMMARY ANNUAL REPORT FOR LOCAL 25 SEIU WELFARE FUND

This is a summary of the annual report of the Local 25 SEIU Welfare Fund, 111 East Wacker Drive, 25th Floor, Chicago, IL 60601, EIN 36-2857218, Plan No. 501, for period October 1, 2010 through September 30, 2011. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The plan has contracts with Union Health Services, Inc. (UHS) and BlueCare Dental DMO (BCD) to pay Medical and Dental claims incurred under the terms of the plan. The total premiums paid to UHS for the policy year ending December 31, 2010 was \$37,571,476 and paid to BCD for the policy year ended July 31, 2011 was \$3,253,145.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$43,904,121 as of September 30, 2011, compared to \$58,552,461 as of October 1, 2010. During the plan year the plan experienced a decrease in its net assets of \$14,648,340. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$81,022,730, including employer contributions of \$78,189,373, employee contributions of \$445,162, realized losses of (\$212,441) from the sale of assets, earnings from investments of \$1,894,557, rental income of \$550,173, and other income of \$155,906.

Plan expenses were \$95,671,070. These expenses included \$2,249,181 in administrative expenses, and \$93,421,889 in benefits paid to participants and beneficiaries.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. financial information;
3. information on payments to service providers;
4. assets held for investment;
5. transactions in excess of 5% of the plan assets;
6. insurance information, including sales commissions paid by insurance carriers;

To obtain a copy of the full annual report, or any part thereof, write Trustees of Local 25 SEIU Welfare Fund, 111 East Wacker Drive, 25th Floor, Chicago, IL 60601, (312) 233-8800. The charge to cover copying costs will be \$8.00 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan, Trustees of Local 25 SEIU Welfare Fund, 111 East Wacker Drive, 25th Floor, Chicago, IL 60601 and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Important Notice from the Local 25 S.E.I.U. Welfare Fund about Your Prescription Drug Coverage and Medicare

This notice is for all persons eligible for Medicare, even if Medicare is not the person's primary health plan. The information in this notice applies only to participants who are eligible for Medicare, or who become eligible for Medicare during 2013.

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 Local 25 S.E.I.U. 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. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are three 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 Local 25 S.E.I.U. Welfare Fund (the Fund) has determined that the prescription drug coverage offered by the Fund is, on average for all plan participants, NOT expected to pay out as much as standard Medicare prescription drug coverage pays. Therefore, your coverage is considered Non-Creditable Coverage. This is important because, most likely, you will get more help with your drug costs if you join a Medicare drug plan, than if you only have prescription drug coverage from the Local 25 S.E.I.U. Welfare Fund. This also is important because it may mean that you may pay a higher premium (a penalty) if you do not join a Medicare drug plan when you first become eligible. (Detailed information, formulary list, etc. for the Local 25 SEIU Welfare Fund Prescription Drug coverage is available on the UHS website www.unionhealth.org – click on 'Pharmacy', then click on 'Union Pharmacy Service for Local 25')
3. You can keep your current coverage from the Local 25 S.E.I.U. Welfare Fund. However, because your coverage is non-creditable, you have decisions to make about Medicare prescription drug coverage that may affect how much you pay for that coverage, depending on if and when you join a drug plan. When you make your decision, you should compare your current coverage, including what drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area. Read this notice carefully—it explains your options.

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 from October 15th through December 7th.

However, if you decide to drop your current coverage with the Local 25 S.E.I.U. Welfare Fund, since it is employer/union sponsored group coverage, you will be eligible for a two (2)-month Special Enrollment Period (SEP) to join a Medicare drug plan; however you also may pay a higher premium (a penalty) because you did not have creditable coverage under the Local 25 S.E.I.U. Welfare Fund.

When Will You Pay a Higher Premium (Penalty) to Join a Medicare Drug Plan?

Since the coverage under the Local 25 S.E.I.U. Welfare Fund is not creditable, depending on how long you go without creditable prescription drug coverage, you may pay a penalty to join a Medicare drug plan. Starting with the end of the last month that you were first eligible to join a Medicare drug plan but didn't join, if you go 63 continuous days or longer without prescription drug coverage that's creditable, 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 (penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

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 Local 25 S.E.I.U. Welfare Fund prescription drug coverage will terminate—you cannot have prescription drug coverage through both the Local 25 S.E.I.U. Welfare Fund and a Medicare Part D drug plan. You will still be eligible to receive all of your other health benefits from the Local 25 S.E.I.U. Welfare Fund, but you will receive your prescription drug coverage through the Medicare drug plan in which you enroll. **You must notify the Fund Office if you do decide to join a Medicare Part D drug plan.** Your self-payment for this Plan's coverage will not change if you drop your drug coverage.

*If you do decide to join a Medicare drug plan and drop your current Local 25 S.E.I.U. Welfare Fund prescription drug coverage, you and your dependents will be able to get this prescription drug coverage back if you later drop your Medicare Part D drug plan coverage. Contact the Fund Office **before** you terminate your Medicare Part D drug plan coverage.*

For More Information about this Notice or Your Current Prescription Drug Coverage . . .

Contact the Fund Office at (312) 233-8888 for further information. 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 Local 25 S.E.I.U. 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).

Date:	October 2012
Name of Plan:	Local 25 S.E.I.U. Welfare Fund
Name of Contact:	Ms. Patricia Parker, Member Services Department
Address:	111 East Wacker Drive, Suite 2502
Phone Number:	(312) 233-8888

ANNUAL NOTICES AS REQUIRED BY U.S. FEDERAL REGULATION

WOMEN'S HEALTH AND CANCER RIGHTS ACT - Coverage for Breast Reconstruction

The Benefit Plan provides coverage for the following medical and surgical services provided to a covered person in connection with a mastectomy:

1. Reconstruction of the breast on which the mastectomy was performed;
2. Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
3. Prosthesis and treatment of physical complications of all stages of mastectomy.

Benefits will be subject to annual deductibles, co-payment provisions and other Plan provisions and limitations in a manner consistent with the provisions and limitations applicable to other Plan benefits.

SECTION 111, MEDICARE, MEDICAID AND SCHIP EXTENSION ACT OF 2007 (MMSEA)

Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA), a federal law that became effective January 1, 2009, requires that self-funded/self-administered plans like the Local 25 SEIU Welfare Fund report specific information about Medicare beneficiaries who have other group coverage. This reporting is to assist Centers for Medicare & Medicaid Services (CMS) and this plan to promptly coordinate payment of benefits so that your claims are paid promptly and correctly. This means that if you are eligible in the SEIU Local 25 Welfare Fund, this Plan will pay benefits first and Medicare will pay second. The Fund Office continues to collect Social Security Number and Date of Birth information on all eligible members to fulfill our reporting requirements under this law.

JEZELI SA JAKIEKOLWIEK
PYTANIA DOTYCZACE TEJ
FORM PROSZE TELEFONO-
WAC DO: CLAIM DEPART-
MENT (312) 233-8899

CLAIM STATEMENT

IMPORTANTE: SI NECES-
TAN MAS INFORMACION
ACERCA DE ESTE IMPRESO,
LLAMEN A LA DEPARTA-
MENTO DE RECLAMACIONES
(312) 233-8899

PLEASE PRINT INFORMATION AND RETURN TO:

Local 25 S.E.I.U. Welfare Fund

CLAIM DEPARTMENT

111 EAST WACKER DR. • 25th FLOOR • CHICAGO, ILLINOIS 60601 • TELEPHONE (312) 233-8899

This form must be completed in **full** for each new claim filed with this office. Upon completion, please attach your bills to it and return to us.

PART I—TO BE COMPLETED BY EMPLOYEE

Employee's Name: _____ Area Code _____ Phone No. _____

Home Address: _____ City _____ State _____ Zip _____

SSN or **Alternate Identification #**: _____ Birth Date: _____ Sex: _____

Employer: _____ Phone No.: _____

Address: _____ City: _____ State: _____ Zip: _____

Patient Information:

Self _____
 Spouse _____
 Child _____
Patient's Name _____ Date of Birth _____ Sex _____

IMPORTANT — THIS SECTION MUST BE COMPLETED — FAILURE TO COMPLETE THIS SECTION WILL ONLY DELAY THE PROCESSING OF THIS CLAIM.

Spouse's Name: _____ Date of Birth _____

Does your spouse have insurance through his or her employer? Yes No

Name of employer sponsoring other insurance _____

Name of employee belonging to other group _____

Group Policy No. and/or Subscriber No. _____

Full name and address of where you would submit a claim to other insurance:

(If above answered YES please be sure to send copies of the same bills to the other company.)

Is this claim for an injury? Yes No

If yes:

Where did it occur? _____ Date: _____

How did it happen? _____

Was the injury or illness caused by claimant's employment? Yes No

Is claim for

Medical Emergency? Yes No

Date: _____ Time Onset: _____

Symptoms: _____

In Accident or Emergency Situations did you Contact U.H.S. Immediately at 312-423-4200 Yes No

I hereby certify that the foregoing statements, including any accompanying statements, are to the best of my knowledge and belief true, correct, and complete. I hereby authorize any physician or any hospital to furnish and disclose all known facts concerning this disability. I will reimburse the fund for any overpayment made to me or on my behalf due to error on this form.

Employee Signature: _____ Date: _____

CLAIM CANNOT BE PROCESSED WITHOUT YOUR SIGNATURE

All benefits provided under this Plan are automatically assigned to the provider of service unless a paid in full receipt is furnished to the Claim Office when Claim is made.

Local 25 SEIU Welfare Fund

LABOR TRUSTEES

Thomas Balanoff
President
S.E.I.U. Local 1
111 E. Wacker Drive
25th Floor
Chicago, IL 60601

Laura Garza
S.E.I.U. Local 1
111 E. Wacker Drive
25th Floor
Chicago, IL 60601

Kenneth E. Munz
S.E.I.U. Local 1
111 E. Wacker Drive
25th Floor
Chicago, IL 60601

MANAGEMENT TRUSTEES

Stanley J. Gaynor
c/o Local 25 SEIU Fund Office
111 E. Wacker Drive - 25th Floor
Chicago, IL 60601

Robert S. Graf
Sudler and Co. LLC
875 N. Michigan Ave.
Chicago, IL 60611

Dean L. Johnson
U.S. Equities Realty
20 N. Michigan Avenue, 4th Floor
Chicago, IL 60602

TO ALL PLAN PARTICIPANTS OF THE LOCAL 25 S.E.I.U. WELFARE FUND

This mailing has several purposes:

1. To remind all participants to call UHS at (312) 423-4200 for all your healthcare needs (Page 1).
2. To distribute your **Summary Annual Report (SAR)** directly to all participants. We are mailing this to the home address on your record. (Page 2).
3. To distribute the federally required "Important Notice" about your prescription drug coverage for those eligible for Medicare (i.e., over age 65, disabled, or those participants with end stage renal disease) (Pages 3 and 4).
4. To provide a current list of Trustees.
5. To continue to inform all participants on how the benefit plan works via a series of reminders. Failure to understand how the Plan works could be costly to the participant and/or your family.

Sincerely,

Board of Trustees
Local 25 SEIU Welfare Fund

NOTICE REGARDING GRANDFATHERED STATUS

The Trustees of the Local 25 S.E.I.U. Welfare Fund believe this is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of life-time limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Fund Office at 111 East Wacker Drive, Suite 2502, Chicago, IL 60601-4200, telephone (312) 240-1600. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1 (866) 444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

NOTE: Whenever benefits are discussed or communicated to you, we must also repeat the "Grandfather" notice to remind you that we continue to maintain this status during the transition phase of the Patient Protection and Affordable Care Act (PPACA) of 2010.

**CONTACT THE OFFICE
FOR ADDITIONAL INFORMATION
COMUNIQUESE CON LA OFICINA
PARA RECIBIR INFORMACION**

**PROSZE SKONTAKTOWAC SIE Z BIUREM W
CELU DODATKOWYCH INFORMACJI**

**MOLIMO VAS KONTAKTIRAJTE
NASU KANCELARIJU ZA BILO KAKVU POMOC**

LOCAL 25 S.E.I.U. WELFARE FUND
111 E. Wacker Drive • 25th Floor • Chicago, IL 60601
(312) 240-1600 • Fax (312) 233-8839
Claims Direct Dial (312) 233-8899
Member Services (312) 233-8888
Email: mcardle@seiu25.org

**SUMMARY ANNUAL REPORT 2011
MEDICARE NONCREDITIBLE CARE NOTICE 2012**