

SEAFARERS HEALTH AND BENEFITS PLAN

5201 Capital Gateway Drive
Camp Springs, Maryland 20746-4275
(301) 899-0675

Margaret R. Bowen
Administrator

Health Benefits for Pensioners

While considering retirement under the Seafarers Pension Plan, please be aware that the health benefits provided through the Seafarers Health and Benefits Plan (“Plan” or “SHBP”) to eligible pensioners and their families are different from the benefits offered to active participants.

Below is important information regarding health benefits for pensioners. Please read this Notice carefully. For more detailed information about pensioner’s benefits, you should refer to the SHBP Guide for Retirees at www.seafarers.org or you may request a printed copy of this guide by contacting the Plan at (800) 252-4674 (Option 3).

Eligibility Requirements

If you are eligible for health benefits as an active employee at the time you retire, you will continue to receive those benefits until your eligibility ends. However, to receive health benefits as a pensioner you must accrue the following days of covered employment under the **Seafarers Health and Benefits Plan and/or the former NMU Welfare Plan**:

Pension Type	Covered Employment Eligibility Requirement
Normal Pension	5,475 days
Early Normal Pension	5,475 days
Disability Pension	4,380 days

In addition to the covered employment requirements above under, you must meet one of the following additional eligibility requirements:

Additional Covered Employment Eligibility Requirement 1
At least 60 days of covered employment in each of the two 6-month eligibility periods immediately preceding the date you become eligible for and apply for a pension.

OR

Additional Covered Employment Eligibility Requirement 2
At least 125 days of covered employment during the calendar year immediately preceding the year in which you become eligible for and apply for a pension.

PLEASE NOTE: “Covered employment under the Seafarers Health and Benefits Plan” does not include “Extra Service Credit” or “Supplemental Service” earned under the Seafarers Pension Plan. In addition, days for which a participant may receive more than one day’s credit for one day worked and/or credit received for Vacation days are not counted towards eligibility for benefits under the Seafarers Health and Benefits Plan.

COBRA Rights

You have the right to purchase COBRA continuation coverage **if you were eligible for benefits at the time you retire**, but you do not meet the eligibility requirements for pensioner’s health benefits. If you qualify for COBRA, the Plan will send you a COBRA election notice that will explain these rights in more detail.

Even if you are eligible for pensioner's health benefits, you will also be eligible for COBRA continuation coverage when your eligibility for active benefits ends. You may purchase COBRA benefits if you were at the Core-Plus Benefit level and you want your dependents to continue to have outpatient and prescription benefits. COBRA allows you to continue to receive the same health benefits that you received prior to retirement for a certain period of time set by law (usually 18 months, but sometimes longer). Once the COBRA period ends, if you met the requirements for pensioner's health benefits, you will begin receiving those benefits.

Premium for Pensioners and Dependents not Eligible for Medicare

If you are not eligible for Medicare at the time you retire, you are required to pay a monthly premium to receive pensioner health coverage. The amount of this premium is \$100 for individual coverage, or \$200 for family coverage (for two or more individuals who are not eligible for Medicare). If you are eligible for Medicare but your spouse is not, you must pay a \$100 premium for your spouse's coverage or \$200 for your spouse and dependent children. Pursuant to your written authorization, the Seafarers Pension Plan will deduct this premium from your monthly pension benefit so that you do not have to send payments to the Plan. **PLEASE NOTE:** If you decide to opt out of the pensioner health coverage, you **cannot re-enroll** at a later time.

Premium Benefit for Pensioners Eligible for Medicare

If you are eligible for pensioner health benefits, **and** you are Medicare-eligible, you must enroll in Medicare Parts A and B **when your eligibility as an active employee ends**. Once you do so, the Plan will pay you an additional benefit of \$50 a month to help pay your Medicare premium. Your spouse must also enroll in Medicare Parts A and B when he or she becomes Medicare-eligible. If you are enrolled in Medicare, the Plan will pay another \$50 benefit to help with your spouse's Medicare premium. However, if your spouse dies before you, his or her Medicare premium benefit will end.

Prescription Drug Coverage

The Plan provides prescription drug coverage to eligible pensioners through a Medicare Part D prescription drug program provided by Retiree RxCare. However, the Plan does not provide prescription drug benefits to the pensioner's spouse or dependents. The Plan's prescription coverage is comparable to the standard Medicare prescription drug coverage and is considered Creditable Coverage. Please note that if you enroll in another Medicare Part D prescription drug program, you will lose your prescription coverage from this Plan, and you will not be permitted to re-enroll in the future.

Reimbursement for IRMAA Premium

Medicare requires individuals with incomes above a certain level to pay an income-related monthly adjusted amount (IRMAA) for prescription coverage, which is deducted from your monthly Social Security check. If you are required to pay the IRMAA, the Seafarers Pension Plan will reimburse you for this premium if you provide a copy of the Social Security notice about your IRMAA or proof of IRMAA payment.

Contact Us

If you have any questions regarding your benefits or need a copy of the SHBP Guide for Retirees, contact the SHBP Claims Department at (800) 252-4674 (Option 3) or claimsdept@seafarers.org. Additional information regarding the Plan can be found online at www.seafarers.org under About.