

Important Notice About Your Prescription Drug Coverage and Medicare

IF YOU ALREADY HAVE A MEDICARE PART D PRESCRIPTION DRUG COVERAGE, PLEASE DISREGARD THIS NOTIFICATION

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage offered by _____ and prescription drug coverage available for people who are eligible for Medicare.

If you or one of your dependents has Medicare coverage or becomes eligible for Medicare coverage, it also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help making decisions about your prescription drug coverage.

Facts you need to know

1. Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drug coverage became available in 2006 to everyone with Medicare. All these plans provide at least a standard level of coverage established by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. _____ has determined that your plan's prescription drug coverage is, on average for all participants, expected to cover as much as the standard Medicare prescription drug benefit covers. Therefore, your plan is considered "**Creditable Coverage.**"

Important decisions you'll need to make

Because your existing coverage is, on average, at least as good as standard Medicare prescription drug coverage, you can keep this coverage without paying extra if you later decide to enroll in Medicare prescription drug coverage.

You can enroll in a Medicare prescription drug plan when you first become eligible for Medicare. Or, you can enroll between Nov. 15 and Dec. 31 of any year after you first become eligible. If you leave employer/union coverage, you may be eligible for a Special Enrollment Period for a Medicare prescription drug plan.

In order to choose the plan that is best for you, you should compare your current coverage with other plans that offer Medicare prescription drug coverage in your area. When you compare plans, consider cost, coverage levels and which drugs are covered.

If you do decide to drop your _____ medical and prescription drug coverage in favor of a Medicare prescription drug plan, you and your dependents may not be able to resume your _____ coverage in the future.

The cost of waiting

You should also know that if you drop or lose your coverage with _____ and do not enroll in Medicare prescription drug coverage within 63 days of the drop, you may pay more (a penalty) to enroll in Medicare prescription drug coverage later.

After your initial Medicare eligibility date, if you go 63 days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your premium will go up at least 1% per month for every month that you did not have that coverage.

For example, if you go 19 months without coverage or without coverage that is as good as Medicare's prescription drug coverage, your premium will always be at least 19% higher than what many other people pay. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to enroll.

To learn more about this notice or your current prescription drug coverage:

Call _____.

NOTE: You'll get this notice once a year and at other times, such as before the next Medicare prescription drug coverage enrollment period, or you may get this notice if your coverage through _____ changes. You also may request a copy.

To learn more about your Medicare prescription drug coverage options:

See the "Medicare & You" handbook. Medicare will send you a copy of this handbook every year and contact you directly about prescription drug plans. For more information:

- Visit www.medicare.gov.
- Call your State Health Insurance Assistance Program for personalized help (see the "Medicare & You" handbook for their telephone number).
- Call 1 (800) MEDICARE (1-800-633-4227). TTY users should call 1 (877) 486-2048.

Help with paying for Medicare prescription drug coverage is available for people with limited income and resources. Contact the Social Security Administration (SSA) online at www.socialsecurity.gov or call them at 1 (800) 772-1213 (TTY 1-800-325-0778).

Keep this notice. If you enroll in one of the new plans approved by Medicare that offer prescription drug coverage, you may need to provide a copy of this notice when you join to show that you are not required to pay a higher premium.

Date: _____
Name of Company: _____
Contact--Position/Office: _____
Address: _____
Phone Number: _____