

**Important Notice from Colorado State University (CSU) Regarding Prescription Drug Coverage and Medicare**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with CSU 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.

**What is "creditable coverage"?**

CSU has determined that the prescription drug coverage offered by CSU is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays. All of the prescription drug benefits in the CSU plans are considered Creditable Coverage.

**How will Medicare's Part D new prescription coverage affect me?**

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.

Because your existing CSU coverage is on average at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to enroll into a Medicare prescription drug plan. If you decide to enroll in a Medicare prescription drug plan and drop your CSU medical plan, which includes drug coverage, you and/or your dependents may not re-enroll in CSU medical plans until the next open enrollment period.

**When can someone enroll in Medicare Part D?**

Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from October 15th through December 7th. This may mean that you may have to wait to join a Medicare drug plan and that you may pay a higher premium (a penalty) if you join later. You may pay that higher premium (penalty) as long as you have Medicare prescription drug coverage. However, if you lose creditable prescription drug coverage, through no fault of your own, you will be eligible for a two (2) month Special Enrollment Period (SEP) because you lost creditable coverage to join a Part D plan. In addition, if you lose or decide to leave employer coverage, you will be eligible to enroll into a Part D plan at that time using an Employer Group Special Enrollment Period. You should compare your current coverage, including which drugs are covered at what cost, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.



### **Why is a plan that provides creditable coverage important to me?**

If you drop or lose your coverage with CSU and don't join in Medicare prescription drug coverage within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join in a Medicare prescription drug plan later.

If you go 63 continuous days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly premium may go up at least 1% of the base beneficiary premium per month for every month that you did not have coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than the 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.

### **How do I get more information about my options under Medicare Part D?**

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 prescription drug plans. For more information about Medicare prescription drug plans:

- Visit [www.medicare.gov](http://www.medicare.gov) for personalized help.
- Call your State Health Insurance Assistance Program (see your copy of the "Medicare and You" handbook). The number will be listed in this booklet.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

### **Is there additional help for people with limited income and resources?**

For people with limited income and resources, extra help paying for the Medicare prescription drug plan is available. Information about this extra help is available from the Social Security Administration (SSA) online at [www.socialsecurity.gov](http://www.socialsecurity.gov), or you may call them at 1-800-772-1213 (TTY 1-800-325-0778).

### **Are there other times when I will receive this Creditable Coverage Notice?**

You will receive this notice annually before the open enrollment period or if CSU's coverage changes. You also may request a copy of this notice at any time from the CSU Benefits Unit or visit [www.hr.colostate.edu](http://www.hr.colostate.edu) to print it.

**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).**