

The following notice is required by law and is being sent to all individuals enrolled in a University of Utah health plan who are age 64 or older. It is being sent to notify you that as long as you are enrolled in the University's Employee Health Care Plan or Transitional Health Care Plan, you do not need to enroll in a Medicare Part D drug plan and to provide additional information.

If you have questions or would like information about retiring from the University of Utah, please see the HR web page at <https://benefits.utah.edu/planning-for-retirement>.

IMPORTANT NOTICE to Individuals Enrolled in a University of Utah Health Care Plan Who are Eligible for Medicare or Who Will Become Eligible for Medicare in the Next 12 Months

This notice is required by law and has information about your current prescription drug coverage and your options under Medicare's prescription drug coverage rules.

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 University of Utah 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 University of Utah has determined that the prescription drug coverage in the University's **Employee Health Care Plan** and **Transitional Health Care Plan** (the "Plans") **is 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 Part D drug plan.

University Human Resource Management

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Phone: (801) 581-7447 / Email: AskHR@utah.edu / Web: www.benefits.utah.edu

You can join a Medicare drug plan: when you first become eligible for Medicare and each year from October 15th to December 7th. If you lose your current creditable prescription drug coverage, through no fault of your own, you will be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

If you drop or lose your current University of Utah coverage and don't enroll in other creditable coverage (e.g., another employer's group health plan) or join a Medicare drug plan within 63 continuous days after your current coverage ends, you may be required to 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.

If you have any questions concerning the information provided in this notice, contact University Human Resource Management at (801) 581-7447. You will receive this notice annually and if the prescription drug coverage through the Plans changes. You may also request a copy at any time by contacting Human Resources.

Additional Information from Medicare:

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. The handbook is available on Medicare's website and if you are eligible for Medicare, a copy should be sent to you in the mail each year by Medicare. To get more information about Medicare prescription drug plans and the coverage offered in your area:

- 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

For individuals with limited income and resources, extra help paying for a Medicare prescription drug plan may be 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).

Keep This Notice

You may be required to provide a copy of this notice when you enroll in a Medicare D Plan to show that you had Creditable Coverage and are not required to pay a higher premium amount (a penalty).