

# Important Notice from the City of Arlington about 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 the City of Arlington and about your options under Medicare's prescription drug coverage. This information can help you decide whether 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 City of Arlington has determined that the prescription drug coverage offered by the Navitus Pharmacy Plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because this 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 drug plan.

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## 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 to December 7th. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

## What Happens to Your Current Coverage If You Decide to Join a Medicare Drug Plan?

If you are an active employee or a dependent of an active employee eligible to join a Medicare drug plan and you enroll in a Medicare drug plan, your Navitus Pharmacy Plan coverage will end. Active employees and/or their dependents eligible for Medicare are not required to enroll in another pharmacy plan and may remain in the Navitus Pharmacy Plan only if not enrolled in a Medicare part D plan. For those active employees who elect Part D coverage, the City's Navitus Pharmacy Plan will end for the employee and all covered dependents. The City's Navitus Pharmacy plan does provide creditable pharmacy coverage.

Retirees and/or their dependents eligible for Medicare AND age 65 are not required to enroll in the UnitedHealthcare Medicare Part D pharmacy plan. However, pharmacy coverage ends in the Navitus Pharmacy Plan upon attainment of age 65. The City offers the UnitedHealthcare Medicare Part D plan as a post 65 pharmacy option. Pre-65 retirees and dependents not eligible for Medicare may enroll in the Navitus Pharmacy Plan.

If you do decide to join a Medicare drug plan and drop your current Navitus Pharmacy plan through the City of Arlington, be aware that you and your dependents will not be able to get this coverage back. See pages 7-9 of the CMS Disclosure of Creditable Coverage to Medicare Part D Eligible

Individuals Guidance (available at [http://www.cms.hhs.gov/Creditable Coverage/](http://www.cms.hhs.gov/Creditable%20Coverage/)), which outlines the prescription drug plan provisions/options that Medicare eligible individuals may have available to them when they become eligible for Medicare Part D.

**When Will You Pay A Higher Premium (Penalty) To Join a Medicare Drug Plan?**

You should also know that if you drop or lose your current coverage with the City of Arlington and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may 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) if you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

**For More Information about this Notice or your Current Prescription Drug Coverage**

Contact the person listed below for further information or call Navitus at 1.866.333.2757 regarding your Navitus Pharmacy Plan. NOTE: You'll get this notice each year. You will also get it before the next open enrollment period when you can join a Medicare drug plan and if this coverage through the City's Navitus Pharmacy Plan changes. You may view this notice on the City's website located at [www.arlingontx.gov](http://www.arlingontx.gov). (Refer to Retirees / City Benefits) 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](http://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](http://www.socialsecurity.gov) or call 1-800-772-1213 (TTY 1-800-325-0778).

**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 you have maintained creditable coverage and, therefore, whether you are required to pay a higher premium (a penalty).

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