

## **Important Notice Required by Federal Law Prescription Drug Coverage and Medicare**

You may have heard about Medicare's new prescription drug coverage, and wondered how it would affect you. Employers, like Indiana University, who provide prescription drug coverage to Medicare-eligible employees and their spouses, are required to provide the following notice to those individuals currently covered under their employer-sponsored group health plans.

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**Please read this notice carefully and keep it. This notice has information about prescription drug coverage for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage. Additionally, it explains the options you have under Medicare prescription drug coverage, and can help you decide whether or not you want to enroll.**

- **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.**
  - **Indiana University has determined that the prescription drug coverage offered in its employee medical plans - *IU PPO \$900 Deductible*, *IU PPO Blue Access*, and *IU HDHP PPO* are, 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 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 drug plan.**
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Prescription drug coverage became available to everyone with Medicare through Medicare prescription drug plans. All Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium. Because your existing coverage is on average at least as good as standard Medicare prescription drug coverage, you can keep your IU-sponsored coverage and not pay extra if you later decide to enroll in Medicare coverage.

People with Medicare can enroll in a Medicare prescription drug plan from November 15<sup>th</sup> through December 31<sup>st</sup>. However, because you have existing prescription drug coverage that, on average, is as good as Medicare coverage, you can choose to join a Medicare prescription drug plan later. Each year following, you will have the opportunity to enroll in a Medicare prescription drug plan between November 15<sup>th</sup> and December 31<sup>st</sup>. If you decide to enroll in a Medicare prescription drug plan and drop your Indiana University prescription drug coverage, be aware that you may not be able to get this coverage back. You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area when this information becomes available in October.

For more information about this notice, please contact University Human Resource Services 812-856-4459.

**NOTE: You may receive this notice at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage changes. You also may request a copy.**

More detailed information about Medicare plans that offer prescription drug coverage will be available in the “Medicare & You” handbook. Medicare-eligible individuals will get a copy of the handbook in the mail from Medicare. You may also be contacted directly by Medicare prescription drug plans. You can also get more information about Medicare prescription drug plans from these places:

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

**Remember: Keep this notice. If you enroll in one of the new plans approved by Medicare which offer prescription drug coverage after May 15, 2006, you may need to give a copy of this notice when you join to show that you are not required to pay a higher premium amount.**

Date: November 1, 2009

Name of Entity Providing Notice: Indiana University

Contact: University Human Resource Services

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