

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.

This information can help you decide whether or not you want to obtain a Medicare drug plan. 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 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 **University of Utah Transitional Health Care Plan** (formerly known as the University of Utah Early Retirement Incentive Health Care Plan (the "Plans") **is Creditable Coverage**.

"Creditable Coverage" means that the amount the Plans expect to pay on average for prescription drugs for individuals covered by the Plans in the 2022 calendar year is the same or more than what standard Medicare D prescription drug coverage would be expected to pay on average.

Because the coverage in the Plans is Creditable, **individuals enrolled in one of the University Plans do not need to purchase separate Medicare D prescription drug coverage as long as you remain enrolled in the Plan.** As long as you are enrolled in this coverage, you will not be required to pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

You can join a Medicare drug plan: (a) when you first become eligible for Medicare, (b) each year from October 15th to December 7th, or (c) when you lose your current creditable prescription drug coverage.

University Human Resource Management

250 East 200 South, Suite 125, Salt Lake City, Utah 84111

Hours: 8:00 am - 5:00 pm, Monday-Friday

Phone: (801) 581-7447 / Fax: (801) 585-7375

Email: benefits@utah.edu / Web: www.hr.utah.edu/benefits

When your coverage in the plans ends, you will be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan. If you don't enroll in Medicare D prescription drug coverage during your 2-month SEP or enroll in other creditable coverage (e.g., another employer's group health plan) within 63 days after your current coverage ends, 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. Information regarding this program is available through the Social Security Administration (SSA). Visit SSA online at www.socialsecurity.gov or call the SSA at 1-800-772-1213 (TTY users call 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).