

# Important Notice about Your Prescription Drug Coverage and Medicare

**This notice has information about your current prescription drug coverage with The Texas A&M University System 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. 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.

When you are retired, become eligible for Medicare, and are not working for the A&M System, and your spouse, if covered, is also eligible for Medicare, you should take the opportunity to enroll in the 65+ plan. The 65+ plan covers the same services as the A&M Care plan at the same benefit level.

Your prescription drug coverage will change to Express Scripts Medicare® Prescription Drug Plan through the Texas A&M University System. This is a Medicare Part D plan. It has no drug deductible and will offer the same coverage as the prescription drug benefit through the A&M Care plan. It is considered creditable coverage.

## **You should know:**

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 offer more coverage for a higher premium. The Texas A&M University System has determined that the prescription drug coverage offered by the A&M Care Plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is 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 separate Medicare drug plan when you are eligible.

## **When can you join a Non-A&M System Medicare Drug Plan?**

You can join when you first become eligible for Medicare, and each year from Oct. 15 to Dec. 7. However, if you lose your current creditable drug coverage through no fault of your own, you will also be eligible for a two month Special Enrollment Period to join a Medicare drug plan.

## **What happens to your current coverage if you decide to join a Non-A&M System Medicare Drug Plan?**

If you decide to join a Medicare drug plan, your current A&M System coverage will be affected. You cannot be enrolled in both the 65+ plan and a Non-A&M System Medicare Part D plan. You can stay in the A&M Care plan if you must enroll in a Non-A&M System Medicare Part D plan. You will not receive a drug benefit from your System health plan, but your System health premiums will not decrease. If you decide to join a Medicare drug plan and drop your current coverage, which would mean your medical and drug coverage, you and your dependents will be able to get this coverage back during annual enrollment unless you are a "survivor".

## **When will you pay a higher premium (penalty) to join a Medicare Drug Plan?**

If you drop or lose your current coverage with the A&M System 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. 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.

## **For more information about this notice or your current prescription drug coverage:**

Contact your Human Resource Office listed at the back of this booklet for further information. You'll get this notice each year. You may request a copy of this notice at any time from your Human Resources office or find it online at: [http://www.tamus.edu/assets/files/benefits/pdf/Medicare\\_creditable\\_coverage\\_letter.pdf](http://www.tamus.edu/assets/files/benefits/pdf/Medicare_creditable_coverage_letter.pdf).

## **For more information about you 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, 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 OR call (800) MEDICARE ((800) 633-4227). TTY users should call (877) 486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at (800) 772-1213 (TTY (800) 325-0778).

**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).**