



OFFICE OF LABOR RELATIONS
**EMPLOYEE BENEFITS
PROGRAM**

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CREDITABLE COVERAGE DISCLOSURE NOTICE

**Important Information About Prescription Drug Coverage
For Employees Age 65 and Over
Who Are Enrolled In Medicare Part A and/or B
And
Receive Prescription Drug Coverage Through Their City-Offered Health Plan**

Dear City of New York Employee:

This notice has information about Medicare Part D and how that may affect you and your prescription drug coverage. It also includes instructions about how to find more information to help you make decisions about your prescription drug coverage.

In January 2006, prescription drug coverage became available to everyone with Medicare through Medicare Part D prescription drug plans. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium. People with Medicare can enroll in a Medicare prescription drug plan during certain periods each year (see the U.S. Department of Health and Human Services website for Medicare at www.medicare.gov).

If you and/or your eligible dependent are eligible for, or enrolled in, Medicare Part A and/or Part B the information in this notice will inform you about how your eligibility relates to Medicare Part D.

If you are an active employee enrolled in a City-offered health plan, that coverage is your primary hospital and medical coverage. If you are also enrolled in the optional rider with that health plan and receive prescription drug coverage through that optional rider, the prescription drug coverage with that rider has been determined to be at least equivalent to or better than the Standard Medicare Part D plan.

If you have Medicare you have the option of enrolling in a Medicare Part D plan - or you can stay in your current plan. **There is nothing for you to do if you choose to stay in your current plan.**

Before you take any action, you should compare your current coverage with the coverage and cost of the plans offering Medicare prescription drug coverage in your area. You should also consider the following information:

- If you drop your current prescription drug coverage with your City-offered health plan and enroll in a Medicare prescription drug plan, you may not be able to get your current coverage back later.
- If you drop your current prescription drug coverage with your City-offered health plan and don't enroll in a Medicare prescription drug coverage plan when your current coverage ends there may be an additional amount added to the cost of your monthly premium if you decide later to enroll in Medicare prescription drug coverage.
- If you remain in your existing prescription drug coverage with your City-offered health plan, you may not be subject to a higher premium if you later decide to enroll in Medicare Part D plan.

Your existing prescription drug coverage through the City of New York is creditable coverage. This means it is, on average, at least as good as standard Medicare prescription drug coverage would be on average. If you drop your City coverage and enroll in a Medicare prescription drug coverage plan at a future date, you may need to provide a copy of this notice, along with proof of coverage, to show that you are not required to pay a higher premium. You may, however, still be subject to a higher premium if you are without creditable coverage for a period of 63 days or more.

If you elect to enroll in a Medicare Part D plan you must drop your optional rider with your health plan. You may need to provide a copy of this notice and proof of current enrollment in a City-offered optional rider to certify that you are not required to pay a higher premium for the Medicare Part D plan that you select.

More information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook which you receive from The Centers for Medicare and Medicaid Services. You can also get more information about Medicare prescription drug plans from these places:

- Visit www.medicare.gov for personalized help,
- Call your State Health Insurance Assistance Program (telephone number in "Medicare & You")
- 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 or call them at 1-800-772-1213 (TTY 1-800-325-0778).

When you retire if you remain in the City of New York program, including prescription drugs coverage, there is nothing for you to do. Your enrollment will be automatic.

Review this information carefully and keep it where you can find it