THE CITY OF
BOWLING GREEN
Ohio

September 22, 2014

Important Notice About Your Creditable Prescription Drug Coverage and Medicare

Dear Participant:

Please read this letter carefully and keep it where you can easily refer back to it. This notice has information about your current prescription drug coverage with City of Bowling Green Employee Benefit Plan and 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. If you are considering joining, you should compare your current coverage, including which drugs are covered, with the coverage and costs of 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 included at the end of this notice.

Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You are eligible for this coverage if you join a Medicare prescription drug plan or join a Medicare Advantage plan (such as an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least the standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium.

It has been determined that your prescription drug benefit is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays, and is thus considered "Creditable Coverage."

Please note, your creditable coverage status is based on your prescription drug benefit as of August 1, 2014. If your prescription drug benefit has changed since August 1, 2014, your creditability status may have changed. Please call the number listed below to determine if your status has changed.

Because your existing coverage is, on average, at least as good as standard Medicare prescription drug coverage, <u>you can keep this coverage and not pay a higher premium</u> (a penalty) if you later decide to join a Medicare drug plan.

You can join a Medicare drug plan when you first become eligible for Medicare and each year thereafter from October 15 through December 7. This means you may have to wait to join a Medicare drug plan. If you lose creditable prescription drug coverage through no fault of your own, you will be eligible for a two-month Special Enrollment Period (SEP) to join a Medicare Part D drug plan.

If you decide to join a Medicare drug plan, your City of Bowling Green Employee Benefit Plan prescription drug benefit may be affected.

304 North Church Street • Bowling Green, Ohio 43402 • FAX (419) 352-1262 • www.bgohio.org

If you do decide to join a Medicare drug plan and drop your current coverage, be aware that you and your dependents may not be able to get this coverage back.

You should also know that if you drop or lose your coverage 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 prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly premium may go up by at least 1 percent of the base beneficiary premium per month for every month that you did not have that coverage. For example, if you go 19 months without coverage, your premium could consistently be at least 19 percent higher than the base beneficiary premium. You may have to pay this higher premium (penalty) as long as you have Medicare prescription drug coverage. In addition, you might have to wait until the following October to join.

For more information about this notice, your current prescription drug coverage or your Medicare prescription drug options contact us using the information below.

NOTE: You'll receive this notice each year before the next period during which you can join a Medicare drug plan or if your current coverage changes. You also may request a copy by calling Customer Service.

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll receive a copy of this handbook in the mail every year from Medicare. You may also be contacted directly by Medicare.

For more information about Medicare prescription drug coverage:

- Visit Medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for the telephone number) for personalized help
- 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 more information, visit the Social Security Administration's website at SocialSecurity.gov, or call 800.772.1213 (TTY users should call 800.325.077

Contact Information:

Name of Sender:	**Barbara A. Ford**
Contact:	**Personnel Director – City of Bowling Green**
Address:	**304 North Church Street, Bowling Green, Ohio 43402**
Phone Number:	**419-354-6200**
Email:	**BFord@bgohio.org**

Sincerely,

Barbara A. Ford
Personnel Director

Remember: Keep this Creditable Coverage notice in a safe place. If you decide to join one of the Medicare drug plans, you might be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and whether or not you are required to pay a higher premium (a penalty).