

Important Notice from Colgate University About Your Prescription Drug Coverage and Medicare

Effective: January 1, 2019

If you and/or your dependent(s) have Medicare or will become eligible for Medicare in the next 12-months, please take special care in reviewing this notice.

You should keep this notice where you can find it!

This notice has information about your current prescription drug coverage and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drug coverage. 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 prescription 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. Colgate University has determined that the prescription drug coverage offered in the following plan(s) is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay and is considered **Creditable Coverage**:

Actives: Excellus BCBS: Excellus BluePPO (Coinsurance) Plan with Optum Rx
Pre-65 Retirees: Excellus BCBS: Excellus BluePPO (Coinsurance) with Optum Rx
Pre-65 Retirees: Excellus BCBS: Excellus BluePPO (Copay) Plan with Optum Rx
Post-65 Retirees: Excellus BCBS: Excellus BluePPO (Coinsurance) with Simply Rx
Post-65 Retirees: Excellus BCBS: Excellus BluePPO (Copay) with Simply Rx

Because the coverage in the above **CREDITABLE** plan(s) is on average at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay extra if you later decide to enroll in Medicare prescription drug coverage.

3. Colgate University has determined that the following Health Plan(s) has(have) prescription drug coverage that is on average for all plan participants, NOT expected to pay out as much as the standard Medicare prescription drug coverage will pay and is considered **Non-Creditable Coverage**:

Not Applicable

This is important because for most people enrolled in the above NON-CREDITABLE plans, enrolling in Medicare prescription drug coverage means you will get more assistance with drug costs than if you had prescription drug coverage exclusively through the above NON-CREDITABLE plans.

Consider enrolling in Medicare prescription drug coverage. You can keep your **Non-Creditable coverage** from Colgate University. You can keep the coverage regardless of whether it is as good as a Medicare drug plan. However, because **Non-Creditable Coverage** is, on average, NOT at least as good as standard Medicare drug coverage, you may pay a higher premium (a penalty) if you decide later to join a Medicare drug plan.

4. **You have decisions to make about Medicare prescription drug coverage** that may affect how much you pay for that coverage, depending on if and when you enroll. Read this notice carefully —it explains your options.

(continued)

Why is your decision so important?

You should also know that if you drop or lose your coverage with Colgate University and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more (a penalty) to enroll in Medicare prescription drug coverage later. If you go **63 continuous days or longer** without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium may go up by **at least 1% of the base beneficiary premium per month for every month that you did not have that coverage**. For example, if you go nineteen months without coverage, your premium may consistently be at least 19% higher than the 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.

When to enroll?

You can join a Medicare prescription drug plan when they first become eligible for Medicare and each year from October 15 through December 7. This may mean that you have to wait to join a Medicare drug plan and that you may pay a higher premium (a penalty) if you join later. However, if you lose creditable prescription drug coverage, through no fault of your own, you will be eligible for a sixty (60) day Special Enrollment Period (SEP) because you lost creditable coverage to join a Part D plan. Additionally, if you decide to leave your employer sponsored plan, you will be eligible to join a Part D plan at that time using an employer group Special Enrollment Period.

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

Please contact us for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.

You need to make a decision!

When you make your decision, you should also 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.

For more information about this notice or your current prescription drug coverage—

Contact our office for further information at 315-228-7411. **NOTE:** You will receive this notice annually and at other times in the future such before the next period you can enroll in Medicare prescription drug coverage, and if this coverage through Colgate University changes. You also may request a copy.

For more information about your options under Medicare prescription drug coverage...

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

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see 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 Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at www.socialsecurity.gov, or you call them at 1-800-772-1213 (TTY 1-800-325-0778)

Remember! Keep this Creditable/Non-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 whether or not you are required to pay a higher premium (a penalty).