



## City of Middletown

RISK MANAGER

245 deKoven Drive, P.O. Box 1300, Middletown, CT 06457-1300

TEL: (860) 344-3516 FAX: (860) 344-3499

October 5, 2012

**Re : IMPORTANT NOTICE FROM THE CITY OF MIDDLETOWN  
ABOUT YOUR PRESCRIPTION DRUG COVERAGE AND MEDICARE**

Dear Active/Retired Employee:

Please read the enclosed important notice about your current City of Middletown prescription drug coverage and the new Medicare prescription drug program. This notice may not apply to some of you, particularly if you are still actively working, however Federal Law requires that you be notified in the event that you have a spouse or dependent child that is covered by or eligible for Medicare.

Should you have any questions, or concerns regarding this notice, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Dawn M. Warner".

Dawn M. Warner  
Risk Manager

/dmw

## Important Notice from the City of Middletown About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the City of Middletown 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. If you are considering joining, 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 (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 plans may also offer more coverage for a higher monthly premium.
2. The City of Middletown has determined that the prescription drug coverage offered by the City of Middletown is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore 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 Medicare drug plan.

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### When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

### Do You Have To Join A Medicare Drug Plan?

You can choose not to enroll in a Medicare prescription drug plan. In this case, you can keep your current prescription drug coverage under the City's Retiree Health Plan, currently administered by Medco Health Solutions.

### What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current City of Middletown coverage will be affected. In this instance, your prescription drug coverage with the City of Middletown will be discontinued, however, you may continue your current medical coverage with the City of Middletown, exclusive of the prescription drug coverage.

If you choose this option and your prescription plan with the City of Middletown is discontinued, and you later decide that you would like to reenroll in the City of Middletown's prescription drug plan, you will be given the option to do so, but only during the City of Middletown's annual open enrollment period, generally held in June of each year with coverage effective as of July 1st. of that same year.

See pages 7-9 of the CMS Disclosure of Creditable Coverage To Medicare Part D Eligible Individuals Guidance (available at <http://www.cms.hhs.gov/CreditableCoverage/>), which outlines the prescription drug plan provisions/options that Medicare eligible individuals may have available to them when they become eligible for Medicare Part D.]

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with the City of Middletown 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 creditable prescription drug coverage, 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 the person listed below for further information:

Dawn M. Warner, Risk Manager  
City of Middletown  
245 DeKoven Drive  
Middletown, CT 06457  
Phone: (860) 344-3516  
Email: Dawn.warner@middletownct.gov

NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through the City of Middletown changes. You also may request a copy of this notice at any time.

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. 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 about Medicare prescription drug coverage:

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.

Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: 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).

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Notice Date:

October 5, 2012

Name of Entity/Sender:

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