



Notice of Creditable Coverage

Important Notice from the Board of Regents of the University System of Georgia Regarding Your Prescription Drug Coverage and Medicare

Dear Retiree:

The University System of Georgia is required to provide a written disclosure notice to all Medicare eligible individuals annually who are covered under its prescription drug plan, prior to October 15th each year and at various times as stated in the regulations, including to a Medicare eligible individual when he/she joins the plan. This disclosure must be provided to Medicare eligible active working individuals and their dependents, Medicare eligible COBRA individuals and their dependents, and any Medicare eligible disabled retirees and their dependents.

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 University System of Georgia for the 2015 plan year and your options under Medicare's prescription drug coverage.

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 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. Your prescription drug coverage through a University System of Georgia healthcare plan has been determined, on average for all plan participants, 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 join a Medicare drug plan.**

Please note: This letter gives you information about Medicare Part D Prescription Drug coverage and your 2015 Medicare Part D Creditable Coverage. Provided on the following pages are some questions and answers that you may have regarding Creditable Coverage and how it relates to Medicare Part D plans.

Why do I need to keep my notice of Creditable Coverage?

This notice will let a Medicare Part D plan know that you have Creditable Coverage now, and that you are not required to pay a late enrollment penalty which could result in a higher premium for you to pay to access this new Medicare Part D plan coverage.



What if I lose my notice of Creditable Coverage?

If you need another copy of your notice of Creditable Coverage, please call the University System of Georgia Shared Services Center toll free at **(855) 214-2644** or your institution's Human Resources/Benefits Office.

Will I have to pay a higher premium (penalty) to join a Medicare drug plan?

If you choose to enroll in a Medicare Part D plan without having Creditable Coverage with another plan like the one offered by the University System of Georgia, you may be required to pay an increased premium.

If you do not join a Medicare prescription drug plan within 63 continuous days after your current coverage ends with USG, you may pay a higher premium (a penalty) to join a Medicare drug plan after the 63 continuous days.

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.

How can I get more information?

The handbook "Medicare & You" from the federal Centers for Medicare and Medicaid Services (CMS) contains more detailed information about Medicare plans that offer prescription drug coverage.

If you would like more information, you may:

- Visit www.medicare.gov ;
- Telephone your State Health Insurance Assistance Program (please see your copy of the "Medicare & You" handbook for their telephone number); or
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For individuals with limited income and resources, extra help paying for a Medicare prescription drug plan is available. For more information about this extra help, please visit the Social Security Administration website at www.socialsecurity.gov or call 1-800-772-1213. TTY users should call 1-800-325-0778.

Remember: Be sure to keep this notice, since you may be asked for a copy of this notice if you enroll in one of the new prescription drug plans approved by Medicare after May 15, 2006. This notice will inform your new plan that you are not required to pay a higher premium amount.



UNIVERSITY SYSTEM OF GEORGIA
SHARED SERVICES CENTER

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Sandersville, Georgia 31082



**BOARD OF REGENTS OF
THE UNIVERSITY SYSTEM OF GEORGIA**

For more information about this notice or your current prescription drug coverage, contact the University System of Georgia Shared Services Center toll free at 1-855-214-2644, or your institution's Human Resources/Benefits office.

NOTE: If you are age 65 or older and still actively working you will receive this notice each year until you retire from USG. You will also receive it before the next period you can join a Medicare drug plan, and if this coverage through the University System of Georgia changes. You may also request a copy of this notice at any time.

Sincerely,

University System of Georgia Benefits