

**Important Notice About Your Prescription Drug Coverage and Medicare  
Medicare Part D Creditable and Non-Creditable Coverage  
UC-sponsored Group Plans**

**Plans with Creditable Coverage**

**Kaiser Senior Advantage  
Health Net Seniority Plus  
UC Medicare PPO  
UC High Option Supplement to Medicare  
Core  
Kaiser Permanente  
Health Net Blue & Gold  
Western Health Advantage  
UC Care  
UC Health Savings Plan**

**Plan with Non-Creditable Coverage**

**UC Medicare PPO without Prescription Drugs**

**WHAT DOES CREDITABLE COVERAGE MEAN?**

If you are Medicare-eligible and enrolled in Kaiser Senior Advantage, Health Net Seniority Plus, UC Medicare PPO, or UC High Option Supplement to Medicare, Core, Kaiser Permanente, Health Net Blue & Gold, Western Health Advantage, UC Care, and UC Health Savings Plan, a medical plan through UC, your prescription drug coverage is expected to pay out as much as the standard level of coverage set by the federal government under Medicare Part D. This qualifies as creditable coverage under Medicare Part D.

**WHAT DOES NON-CREDITABLE COVERAGE MEAN?**

If you are Medicare-eligible and enrolled in UC Medicare PPO without Prescription Drugs, the plan is NOT expected to pay out as much as standard Medicare prescription drug coverage pays. Therefore, your coverage is considered Non-Creditable Coverage.

You can keep your current coverage from UC Medicare PPO Plan without Prescription Drug. However, because this coverage is non-creditable, you must have and maintain creditable prescription drug coverage from another, non-UC source.

By enrolling in a Medicare drug plan, you will receive help with your drug costs, as there is no prescription drug coverage under UC Medicare PPO without Prescription drugs. If you do not enroll in a Medicare drug plan when you are first eligible, you may pay a higher premium (a penalty) for a Medicare drug plan. When you make your decision about whether to choose the UC Medicare PPO without Prescription Drugs plan, you should take into account your current coverage, which does not include prescription drugs, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

## **WHEN WILL YOU PAY A HIGHER PREMIUM (PENALTY) TO JOIN A MEDICARE DRUG PLAN?**

If, in the future, you or a Medicare-eligible dependent terminate(s) or lose(s) Medicare Part D coverage and you go without coverage for too long, you may be assessed a penalty. This evidence of creditable coverage will prevent you from incurring penalties charged by the federal government for late enrollment in Medicare Part D if you decide to re-enroll in a Medicare Part D plan.

You must enroll in Medicare Part D no more than 62 days after you or a Medicare-eligible dependent are eligible for Medicare Part D. In addition, if your Medicare Part D is terminated for any reason, you must re-enroll in a Medicare Part D plan within 63 days of the termination. In either scenario, anyone who fails to act within that time period will incur a late enrollment penalty of at least 1% per month for each month after May 15, 2006 that the person did not have creditable coverage or enrollment in Part D.

For example, if 23 months passed between the time a person terminated creditable coverage with UC and that person's enrollment in Medicare Part D, that person's Medicare Part D premium would always be at least 23% higher than what most other people pay. That person might also be required to wait until the following November, when the federal government conducts Open Enrollment for Medicare, in order to sign up for Medicare Part D prescription coverage.

If a person loses creditable prescription drug coverage through no fault of his or her own, that person may also be eligible for a Special Enrollment Period (SEP) to join a Medicare drug plan.

## **WHEN CAN YOU JOIN A MEDICARE DRUG PLAN?**

If you are eligible for UC-sponsored coverage, you can join a UC Medicare drug plan during UC's annual Open Enrollment period each fall, or, mid-year, if you lose other coverage. You can join a non-UC Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

## **WHAT HAPPENS TO YOUR CURRENT COVERAGE IF YOU DECIDE TO JOIN A COMMERCIALLY AVAILABLE MEDICARE DRUG PLAN?**

Each plan handles your decision to join a Medicare drug plan differently. For example, some plans allow you to keep your current coverage and coordinate with Medicare, while other plans may not. It is best to contact the UC Retirement Administration Service Center at 1-800-888-8267 to get information on how your current plan coverage will be affected by your decision to join a commercially available Medicare drug plan.

More information about Medicare plans through UC can be found in the UC Medicare Fact Sheet (see <http://ucnet.universityofcalifornia.edu/forms/pdf/medicare-factsheet.pdf>). Detailed information about commercially available Medicare Part D Plans can be found in the "Medicare & You" handbook. You'll get a copy of this handbook in the mail every year from Medicare. 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).

### **OneExchange**

Plans obtained through OneExchange are considered individual plans, and the plans vary in offering creditable coverage and non-creditable coverage for Medicare Part D. For more information about the type of coverage offered by your plan, visit <https://medicare.oneexchange.com/uc>.

### **MORE INFORMATION**

For more information about this notice or your current prescription drug coverage, contact UC Retirement Administration Service Center at (1-800-888-8267) for further information. You may also find coverage details on UCnet at <http://ucnet.universityofcalifornia.edu/compensation-and-benefits/health-plans/medical/medicare>.