

ROE booklet as of 9-14-18

**Important Notices About Your Prescription Drug Coverage and Medicare
2019 Medicare Part D Creditable and Non-Creditable Coverage
UC-sponsored Group Plans**

UNIVERSITY OF CALIFORNIA HEALTHCARE PLAN NOTICE OF PRIVACY — SELF-FUNDED PLANS

The University of California offers various health care options to its employees and retirees, and their eligible family members, through the UC Healthcare Plan. Several options are self-funded group health plans for which the university acts as its own insurer and provides funding to pay the claims; these options are referred to as the “Self-Funded Plans.” UC’s self-funded plans for 2019 include: Delta Dental PPO, Core, UC Care, UC Health Savings Plan, UC High Option Supplement to Medicare, UC Medicare PPO and UC Medicare PPO without Prescription Drugs. The Privacy Rule of the federal Health Insurance Portability and Accountability Act of 1996, also known as HIPAA, requires the Self-Funded Plans to make a Notice of Privacy Practices available to plan members. The University Of California Healthcare Plan Notice Of Privacy Practice — Self-Funded Plans (Notice) describes the uses and disclosure of protected health information, members’ rights and the Self-Funded Plans, responsibilities with respect to protected health information. A copy of the updated Notice is posted on the UCnet website at ucal.us/hipaa or you may obtain a paper copy of this Notice by calling the UC Healthcare Plan Privacy Officer at 800-888-8267, press 1. The Notice was updated effective Jan. 1, 2019 to reflect the current healthcare plan options. If you have questions or for further information regarding this privacy Notice, contact the UC Healthcare Plan HIPAA Privacy Officer at 800-888-8267, press 1.

IMPORTANT NOTICES

THE WOMEN’S HEALTH AND CANCER RIGHTS ACT ANNUAL NOTIFICATION OF RIGHTS

The Women’s Health and Cancer Rights Act of 1998 (Women’s Health Act) requires group medical plans such as those offered by UC that provide coverage for mastectomies to also provide certain related benefits or services. Under a UC-sponsored medical plan, a plan member (employee, retiree or eligible family member) who receives a mastectomy and elects breast reconstruction in connection with the mastectomy must receive coverage for the following: reconstruction of the breast on which the mastectomy was performed; surgery and reconstruction of the other breast to produce a symmetrical appearance; and prostheses and treatment of physical complications of the mastectomy, including lymphedema. Coverage will be provided in a manner determined in consultation with the patient’s physician and is subject to the same deductibles, coinsurance and copayments that apply to other medical or surgical benefits covered under the plan. If you have questions, please contact your medical plan carrier or refer to your carrier’s plan booklet for specific coverage.

**IMPORTANT NOTICE ABOUT YOUR PRESCRIPTION DRUG COVERAGE AND 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, UC 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, UC 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 NonCreditable Coverage. You can keep your current coverage from UC Medicare PPO Plan without Prescription Drugs. However, because this coverage is noncreditable, you must have and maintain creditable prescription drug coverage from another, non-UC source. By enrolling in a Medicare drug plan through UC, you will not receive help with your drug costs, as there is no prescription drug coverage under the UC Medicare PPO without Prescription Drugs plan. When you make your decision about whether to choose the UC Medicare PPO without Prescription Drugs plan, you should take into account this plan's 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 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.

If, in the future, you or a Medicare-eligible dependent terminate(s) or lose(s) Medicare Part D coverage and you go without coverage, you may be assessed a penalty. UC's evidence of creditable coverage will prevent you from incurring penalties charged by the federal government for late enrollment in Medicare Part D for up to 63 days if you decide to re-enroll in a Medicare Part D plan. You must enroll in Medicare Part D no more than 63 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 percent 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 percent higher than what most other people pay. That person might also be required to pay a non-Medicare premium until UC can obtain Medicare approval of your Part D re-enrollment or 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 a period of initial eligibility, UC's annual Open Enrollment period each fall, or, mid-year, if you lose other creditable coverage. If you are interested in non-UC insurance and are eligible for Medicare, you can join a non-UC Medicare drug plan each year from Oct. 15 to Dec. 7.

WHAT HAPPENS TO YOUR CURRENT COVERAGE IF YOU DECIDE TO JOIN A NON-UC COMMERCIALLY AVAILABLE MEDICARE DRUG PLAN?

Each plan handles your decision to join a Medicare drug plan differently. UC offers one plan, the Medicare PPO without Prescription Drugs plan that allows you to keep your current UC medical coverage and coordinate with Medicare for a non-UC drug plan. UC's other plans do not. Before you make a change contact the UC Retirement Administration Service Center at 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 non-UC 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. 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, or 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, or call them at 1-800-772-1213 (TTY 1-800-325-0778).