

**THIS NOTICE APPLIES TO YOU AND YOUR DEPENDENTS
WHO ARE CURRENTLY ELIGIBLE FOR,
OR SOON TO BE ELIGIBLE FOR, MEDICARE COVERAGE**

**NOTICE OF CREDITABLE COVERAGE
ROCKY MOUNTAIN UFCW UNIONS & EMPLOYERS HEALTH BENEFIT PLAN
SELF-FUNDED PPO PLAN AND THE HMO PLAN
October 2018**

***** SAVE THIS NOTICE***
Important information about your Prescription Drug Benefits
and Medicare Prescription Drug Coverage**

Introduction. This Notice contains information about:

- The Medicare Prescription Drug Coverage that became available January 1, 2006.
- How the Plan's prescription drug benefits compare to the Medicare prescription drug benefits.
- What your options are and what happens to your coverage under the Plan if you elect Medicare Prescription Drug Coverage.
- Where to find more information to help you make decisions about your prescription drug coverage.

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 Rocky Mountain UFCW Unions & Employers Health Benefit Plan (the "Plan") 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.

What is Medicare Prescription Drug Coverage?

Medicare prescription drug coverage, known as Medicare Part D, became available to everyone with Medicare in 2006. Medicare Part D is insurance coverage for prescription drugs offered by private Medicare prescription drug plans and Medicare Advantage Plans (like an HMO or PPO). Like most insurance coverage, you will have to pay a monthly premium and a share of the cost of your prescriptions. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans may offer more coverage for a higher monthly premium.

For people with limited *income and resources*, extra help paying for a Medicare Part D plan is available. In general, your *income and resources* include income from pensions, investments, annuities or Social Security, the face value of any life insurance policy, and your savings and stocks (but not your home or car). For more information about this extra help, contact the Social Security Administration at www.socialsecurity.gov or call 800-772-1213 (TTY 800-325-0778).

When can I enroll in a Part D plan?

You can enroll in a Part D plan when you first become eligible for Medicare. There will also be an annual open enrollment period for all Medicare eligible individuals from October 15 through December 7. In addition, if you lose coverage under this Plan after you are eligible for Medicare, you may be eligible for a two-month Special Enrollment Period to join a Medicare Part D drug plan.

Do I have to enroll in a Part D plan?

No. Enrollment in a Part D plan is completely voluntary. However, it is important that you have prescription drug coverage that is considered "creditable." If you do not have creditable coverage after you become eligible for Medicare, you may have to pay a penalty in the form of higher premiums when you finally enroll in a Part D plan.

What is "creditable" coverage?

Creditable coverage means prescription drug coverage, on average, that is equal to or exceeds the coverage provided under the standard Medicare Part D plan.

Why is it important to have "creditable" coverage?

Creditable coverage is important because if you go 63 days or more after you become eligible for Medicare without either creditable coverage or coverage under a Part D plan, you may be charged a late enrollment penalty in the form of a higher monthly premium. Your monthly premium for Part D may increase at least one percent (1%) per month for each month that you did not have coverage under either Part D or other creditable coverage after you became eligible for Medicare. You may also have to wait for the next open enrollment period (October 15 through December 7) to enroll in a Part D plan.

For example, if you go 19 months without prescription drug coverage under either a Part D plan or another creditable coverage plan after you become eligible for Medicare, your Part D premium may be at least 19% higher than what most other people pay. You may have to pay the higher premium as long as you have Part D coverage.

Does the Rocky Mountain UFCW Unions & Employers Health Benefit Plan offer "creditable" coverage?

Your prescription drug coverage under the Rocky Mountain UFCW Unions & Employers Health Benefit Plan is "creditable coverage." As long as you remain covered by the Rocky Mountain UFCW Unions & Employers Health Benefit Plan, you do not have to enroll in Part D coverage to avoid the higher late enrollment premium.

What if I lose my coverage in the Rocky Mountain UFCW Unions & Employers Health Benefit Plan?

If you lose creditable coverage during the year, you may be allowed to enroll in a Part D plan outside of the annual enrollment period (October 15 through December 7). You should enroll in a Part D plan within two months of the end of your creditable coverage under the Rocky Mountain UFCW Unions & Employers Health Benefit Plan (your Special Enrollment Period) to avoid the late penalty. You should not wait to enroll in the next open enrollment period.

Can I drop or waive my prescription drug coverage under the Rocky Mountain UFCW Unions & Employers Health Benefit Plan and take Medicare Part D instead?

Your prescription drug coverage under the Rocky Mountain UFCW Unions & Employers Health Benefit Plan is not available separately from the Plan's medical benefits. If you drop or waive your coverage under the Rocky Mountain UFCW Unions & Employers Health Benefit Plan, you will lose all your Plan coverage, including your medical coverage.

If I drop or waive my Rocky Mountain UFCW Unions & Employers Health Benefit Plans coverage, can I get it back?

Once you lose your Plan coverage, you can only get it back if you qualify for a HIPAA special enrollment or at the Plan's next open enrollment period, provided you are still eligible for benefits.

What happens to your current coverage if you decide to join a Medicare drug plan?

If you decide to join a Medicare drug plan, you can keep your current coverage under the Plan. Generally, the Plan will pay primary and Medicare will pay secondary for your prescription drug expenses.

Note: If you retire and become covered under the Rocky Mountain UFCW Unions & Employers Health Benefit Plan - Retirees, you will continue to have "creditable" prescription drug coverage but are subject to different rules regarding termination of coverage.

How can I get more information about my Part D options?

You should receive more detailed information about Medicare plans that offer prescription drug coverage in the *Medicare & You Handbook*. You will receive a copy of the Handbook in the mail from Medicare each year. You will also receive information in the mail directly from the providers of the various Part D plans in your area.

You can also get additional information from the following sources:

- Medicare's website: www.medicare.gov
- Medicare by phone at 1-800-633-4227; TTY users call 1-877-486-2048
- The State Health Insurance Assistance Program (see the inside back cover of your copy of the *Medicare & You Handbook* for the telephone number)

Who can I contact if I have questions about this Notice?

Please contact:

Rocky Mountain UFCW Unions & Employers Health Benefit Plan
5511 West 56th Avenue, Suite 250
Arvada, CO 80002
303-430-9334 or 1-800-527-1647

You may receive this Notice at other times in the future. You will receive this Notice each year before the next Medicare enrollment period, or if your prescription drug coverage through the Rocky Mountain UFCW Unions & Employers Health Benefit Plan changes. You may also request a copy of this Notice at any time by contacting us as shown above.

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).