

## **Important Notice from Wappingers Central School District 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 Wappingers Central School District 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. Wappingers Central School District has determined that the prescription drug coverage offered by the Empire BCBS Plan 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.

## 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 Wappingers Central School District coverage will be affected. Below is an explanation of the prescription drug coverage plan you have available to you under Empire Blue Cross. If you elect Part D coverage, coverage in the Wappingers Central School District's plan will end for the individual and all covered dependents.

Healthy Advantage: \$50 deductible per calendar year (does not apply to Tier 1 generic drugs or mail order)

	<u>Retail</u>	<u>Mail Order</u> 2 copays for 90 day
Generic drugs	\$10 copay	\$10 copay
Preferred brand drugs	\$20 copay	\$20 copay
Non-preferred band drugs	\$40 copay	\$40 copay
Specialty drugs	\$40 copay	\$40 copay

### EPO Select 20 – \$0 deductible

	<u>Retail</u>	<u>Mail Order</u> 2 copays for 90 day
Generic drugs	\$10 copay	\$10 copay
Preferred brand drugs	\$20 copay	\$20 copay
Non-preferred band drugs	\$40 copay	\$40 copay
Specialty drugs	\$40 copay	\$40 copay

### Alternate PPO - \$0 deductible

	<u>Retail</u>	<u>Mail Order</u> 2 copays for 90 day
Generic drugs	\$5 copay	\$5 copay
Multisource brand drugs	\$5 copay*	\$5 copay*
Single Source brand drugs	\$20 copay	\$20 copay

\*plus ancillary charge

If you decide to join a Medicare drug plan and drop your current Wappingers Central School District coverage, be aware that you and your dependents will not be able to get this coverage back.

## 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 Wappingers Central School District 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.