



CITY OF PORT ST. LUCIE

Human Resources

A CITY FOR ALL AGES

July 15, 2016

To: All Employees and Their Dependents Participating In The
City of Port St Lucie's Health Insurance Plan

From: Claudia McCaskill, GBA, PHRP, PHR, SHRM-CP, HR Manager, Benefits

Subject: Notice of Creditable Coverage

Attached is an **Important Notice**... regarding the City's prescription drug coverage and Medicare. This is a notice that is required by The Centers for Medicare & Medicaid Service (CMS), to be provided to all participants of the City's health insurance plan.

It pertains specifically to any City of Port St Lucie health plan participant who is now or who will become Medicare eligible, either by age or by disability.

This information is required in conjunction with the Medicare Part D Prescription Drug coverage. The conditions concerning the participant's eligibility for Part D coverage are outlined, including the requirement that participants on the City's health plan, who elect the Medicare Part D Prescription Drug coverage, must immediately discontinue their coverage under the City's entire health insurance plan. Also, the City requires a copy of the Medicare card for any health plan participant who is covered by any Medicare benefit. If you have not provided the City with a copy of your Medicare card, please do so immediately.

Please review the information carefully. The attached Notice of Creditable Coverage can be used as proof of prior creditable group health coverage when the plan participant discontinues coverage on the City's health plan.

Please let me know if you have any questions regarding this matter.

Sincerely,

Claudia McCaskill, GBA, PHRP, PHR, SHRM-CP
H.R. Manager, Benefits

/Attachment

**TO: Any Participant On The City's Health Plan "Who Is" or "Who Will Become"
Medicare Eligible**

**Important Notice from The City of Port St Lucie About
Your Prescription Drug Coverage and Medicare – 2016-17**

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 City of Port St. Lucie 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. The City of Port St Lucie has determined that the prescription drug coverage offered by the City's health 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.**

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 through 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.

CMS Form 10182-CC

Updated April 1, 2011

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0990. The time required to complete this information collection is estimated to average 8 hours per response initially, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

**TO: Any Participant On The City's Health Plan "Who Is" or "Who Will Become"
Medicare Eligible**

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 City of Port St Lucie coverage **will** be affected. The City of Port St Lucie's health plan has Prescription Drug coverage that is integrated with the Medical coverage as part of the total health plan. Because the City's health plan has been determined as Creditable Coverage, if any participant on the City's health plan elects a Medicare Part D prescription drug plan, coverage under the City's entire health plan will cease immediately for the participant and all covered dependents.

If you do decide to join a Medicare drug plan and drop your current City of Port St Lucie coverage, be aware that you and your dependents will not be able to get this coverage back. You cannot be enrolled in both the Medicare Part D coverage and the City's health plan.

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 City of Port St Lucie 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.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the City's Human Resources Department for further information by calling Théma Neal at 772-344-4345 or Claudia McCaskill at 772-344-4081. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through the City of Port St Lucie changes. You also may request a copy of this notice at any time.

**TO: Any Participant On The City's Health Plan "Who Is" or "Who Will Become"
Medicare Eligible**

**For More Information About Your Options Under Medicare Prescription
Drug Coverage...**

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

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.
- 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).

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).

Date:	July 15, 2016
Name of Entity/Sender:	City of Port St Lucie
Contact--Position/Office:	Human Resources – Benefits Administration
Address:	121 SW Port St Lucie Blvd, Port St Lucie, FL 34984
Phone Number:	772-344-4081

This notice is derived from the Model Notice provided by the Centers for Medicare and Medicaid Service (CMS) and adapted to include information relating to your current prescription drug coverage through the City of Port St Lucie. Questions regarding the Medicare Part D Prescription Drug coverage should be directed to Medicare, and the questions regarding the City's health plan should be directed to the Benefits Administration section of the City of Port St Lucie's Human Resources Department.

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