

Eastern Michigan University

*Notice of Creditable Coverage
For Distribution Prior to October 15, 2023*

*Prepared by
Segal
September 2023*

IMPORTANT NOTICE FROM THE EASTERN MICHIGAN UNIVERSITY Regarding PRESCRIPTION DRUG COVERAGE AND MEDICARE

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, please read this important notice.

Please read this Notice carefully and keep it where you can find it. This Notice has information about your current prescription drug coverage with Eastern Michigan University 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. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this Notice.

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. Eastern Michigan University has determined that the prescription drug coverage that they offer is, on average for all plan participants, expected to pay out as much as or more than the standard Medicare prescription drug coverage pays and is considered Creditable Coverage.

Because your existing coverage with Eastern Michigan University is, on average, at least as good as or better than standard Medicare prescription drug coverage, you can keep this coverage, still use the same pharmacy network, keep the same affordable co-payments for prescription drugs, 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. If you lose or decide to leave the EMU coverage, you will be eligible to join a Part D plan at that time using an Employer Group Special Enrollment Period. You should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare drug coverage in your area.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to enroll in a Medicare prescription drug plan and drop your EMU coverage, be aware that you and your dependents may not be able to get this coverage back.

Please contact EMU H/R Benefits Department for more information about what happens to your coverage if you enroll in a Medicare prescription drug 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 coverage with EMU 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 prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium may go up by at least 1% of the base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without coverage, your premium may consistently be at least 19% higher than the base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have a 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 EMU H/R Benefits for further information. NOTE: You will receive this Notice annually and at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if the EMU coverage changes. You also may request a copy at any time.

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 whether or not you are required to pay a higher premium (a penalty).

Date: September 2023
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