

Important Notice

About Your Prescription Drug Coverage and Medicare

If you (and/or your dependents) have Medicare, or will become eligible for Medicare within the next 12 months, federal law gives you more choices about your prescription drug coverage. Please read the following notice for more details.

Please read this notice carefully. It has information about your prescription drug coverage and the coverage options available to Medicare Part-D eligible individuals. This Notice also provides information on additional resources that may help you decide which prescription drug coverage to choose. You should keep this notice with your important records. If you or your family members aren't currently covered by Medicare and won't become covered by Medicare in the next 12 months, this notice doesn't apply to you.

Notice of Creditable Coverage

The purpose of this notice is to advise your prescription drug coverage listed below is expected to pay out, on average, at least as much as the standard Medicare prescription drug coverage will pay. This is known as "creditable coverage."

WESTERN HEALTH ADVANTAGE

Gateway 30 Platinum 90
Gateway 70 Platinum 90
Gateway 4010 Gold 80
Gateway 2400 Gold 80 HDHP
Gateway 5020 Silver 70
Gateway 7000 Bronze 60 HDHP

KAISER PERMANENTE

Platinum 90 HMO 0/10
Platinum 90 HMO 0/20
Gold 80 HMO 0/30
Gold 80 HMO 250/35
Gold 80 HMO 1000/40
Silver 70 HMO 1900/55
Silver 70 HMO 2500/55
Silver 70 HDHP 2700/25%
Bronze 60 HDHP 6300/65
Bronze 60 HDHP 7000/0

Why this is important: Coverage under these plans may help you avoid a Medicare Part D late enrollment penalty. If you or your covered dependent(s) are enrolled in one of the plans listed above and are currently or become covered by Medicare, you may decide to enroll in a Medicare prescription drug plan later and not be subject to a late enrollment penalty—as long as you had creditable coverage within 63 days of your Medicare prescription drug plan enrollment.

Late Enrollment Penalty (Higher Premium Charge)

You should know that if you waive or drop coverage and you go 63 days or longer without creditable prescription drug coverage (once your applicable Medicare enrollment period ends), your monthly Medicare Part D premium may go up by at least 1% per month for every month that you do not have creditable coverage. For example, if you go 19 months without coverage, your Medicare prescription drug plan premium may consistently be at least 19% higher than what most other people pay. You may have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to enroll in Medicare Part D. wondered how it would affect you. Medicare offers prescription drug coverage to everyone with Medicare. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans also offer more coverage for a higher monthly premium.

Medicare Prescription Drug Coverage

You may have heard about Medicare's prescription drug coverage (called Medicare Part D), and individuals can enroll in a Medicare prescription drug plan when they first become Part D eligible, and each year thereafter during Medicare open enrollment (October 15 through December 7). Individuals who decide to drop their coverage may be eligible for a two-month Medicare Special Enrollment Period.

Interaction Between Coverages

If you decide to enroll in a Medicare prescription drug plan, your current coverage could be affected. Your coverage is on average equivalent to or better than the standard benefit set by the federal government for Medicare Part D (also called creditable coverage). Because this plan's prescription drug coverage is creditable, you do not have to enroll in a Medicare prescription drug plan while you maintain this coverage. However, you should be aware that if you have a subsequent break in this coverage of 63 days or more any time after you were first eligible to enroll in a Medicare prescription drug plan, you could be subject to a late enrollment penalty in addition to your Part D premium.

In addition, if you waive or drop your current coverage to enroll in a Medicare Part D plan, you and your dependents may not be able to re-enroll in coverage at open enrollment or when you have a special enrollment event.

Additional Information

Contact the person listed at the end of this Notice for further information about your current prescription drug coverage. **NOTE:** You may receive this notice at other times in the future—such as before the next period you can enroll in Medicare prescription drug coverage, if the coverage changes, or upon your request.

More detailed information about Medicare plans that offer prescription drug coverage is in the *Medicare & You* handbook. Medicare participants will receive a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. Here's how to get more information about Medicare prescription drug plans:

- Visit www.medicare.gov.
- Call your State Health Insurance Assistance Program (see a copy of the *Medicare & You* handbook for the telephone number) for personalized help.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. For information about this extra help, contact the Social Security Administration (SSA) online at www.socialsecurity.gov or call 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this notice. If you enroll in a Medicare prescription drug plan, you may be required to provide a copy of this notice when you join a Part D plan to show that you have maintained creditable coverage and, therefore, may not be required to pay a higher Part D premium.

For more information about this notice or your employer-sponsored prescription drug coverage, contact:

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