



**EPC**

*Benefit Resources, Inc.*

CREDITABLE COVERAGE NOTICE

## **Important Notice from the Group Medical Plan Sponsor About Your Prescription Drug Coverage and Medicare**

**October 2017**

Please read this notice carefully and keep it where you can find it. This notice has information about your present prescription drug coverage with the Group Medical Benefits 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 present 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 located at the end of this notice.

### **There are two important things you need to know about your present 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 Board of Benefits of the Group Medical Plan Sponsor has determined that:
  - The prescription drug coverage offered by the EPC Benefits Plan is better for the majority of Plan participants, and on average for all plan participants is expected to pay out more than the standard Medicare prescription drug coverage pays.
  - Therefore, it is 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 15 through December 7. However, if you lose your present creditable prescription drug coverage through no fault of your own, you also will be eligible for a



**EPC**

*Benefit Resources, Inc.*

CREDITABLE COVERAGE NOTICE

two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

**Summary of EPC Benefits Plan—Annual Prescription Drug Coverage:**

- Prescriptions obtained through a retail pharmacy are dispensed in a 30- or 90-day supply.
  - Plan participants are responsible for a co-payment according to the following schedule:

▪ Co-payment, Generic	\$10
▪ Co-payment, Formulary	\$35
▪ Co-payment, Non-Formulary	\$80
  
- Prescriptions obtained through the Express Scripts Mail Service are dispensed in a 90-day supply
  - Plan participants using the mail program are responsible for a co-payment according to the following schedule.

▪ Co-payment, Generic	\$20
▪ Co-payment, Formulary	\$70
▪ Co-payment, Non-Formulary	\$160
  
- Coverage begins with the first prescription each year and there is no annual deductible.
- Prescription costs count toward annual maximum out of pocket; unlimited lifetime benefit payments.

**What Happens to Your Present EPC Benefits Plan Coverage if You Decide to Join a Medicare Drug Plan?**

- If you decide to enroll in a Medicare Part D prescription drug plan, you must drop your EPC Benefits Plan coverage that includes prescription coverage.
- If you drop your present enrollment through the EPC Benefits Plan and enroll in Medicare prescription drug coverage, you cannot later re-enter the EPC Benefits 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 present coverage with the EPC Benefits Plan and don't join a Medicare drug plan within 63 continuous days after your present

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



**EPC**

*Benefit Resources, Inc.*

CREDITABLE COVERAGE NOTICE

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 November to join.

**NOTE:** You will 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 changes through the EPC Benefit Plan. You can request a copy of this notice at any time.

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

See the “Medicare & You” handbook. You will get a copy of the handbook in the mail every year from Medicare. You also may be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://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 is available for paying for Medicare prescription drug coverage. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call 1-800-772-1213 (TTY 1-800-325-0778).

***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).***

- For more information about your prescription drug coverage, contact Highmark member services at 1-866-472-0928.
- For more information about this notice, contact EPC Benefits Administration at 877-578-8707 or [EPC@cdsadmin.com](mailto:EPC@cdsadmin.com).