

TOWN OF MILFORD

DEPARTMENT OF HUMAN RESOURCES



October 11, 2019

Name
Address
City, State, Zip

Re: Notice of Creditable Coverage

Dear Name,

Important Notice from Town of Milford About Your Prescription Drug Coverage and Medicare

This notice is for – **Name**

DOB: **01/01/1900**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with **Town of Milford** 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 **Town of Milford** has determined that the prescription drug coverage offered by **Humana Insurance** 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 to December 7th for coverage effective January 1 of the following year.

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?

When you lose or decide to leave your **Humana** creditable coverage, you should be eligible for a two month Special Enrollment Period (SEP) to join a Medicare drug plan.

You will not have to pay any premium penalty for Medicare Part D drug coverage in the future provided you enroll in Part D within 63 days after your **Humana** coverage ends. If you continue your creditable prescription drug coverage through **Humana**, you may never need to enroll in a Medicare D plan.

As a Medicare-eligible individual you have the following options:

1. You may remain on the existing **Humana** Prescription Drug Plan (PDP) and choose not to enroll in a Medicare Part D plan. You would continue your existing medical and prescription drug plan coverage and would not need to take any action in response to this notice. If you intend to remain covered under your **Humana** plan, we suggest that you NOT enroll in Medicare Part D.
2. Alternatively, you may elect to cancel your current coverage with **Humana** and enroll in a Medicare Part D plan for your prescription drug coverage. You may do this during the October 15th to December 7th annual enrollment period (or during any applicable Medicare Part D SEP).

If you do decide to join a Medicare drug plan and drop your current **Humana** coverage, be aware that you and your dependents may not (*will not* for Medigap issuers) be able to get this coverage back. Please discuss this with your insurance representative.

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 **Humana** 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 person listed below for further information. **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/or if the coverage through the **Town of Milford** changes. You may also request a copy of this notice 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, therefore, whether or not you are required to pay a higher premium (a penalty).

In making your decision, you should compare the prescription drug benefit coverage and costs of your existing **Humana** plan to the various Medicare Part D plan options in your area. There are numerous Medicare Part D plans available to Medicare eligible individuals who live in NH or in other states. While those plans have different premiums and prescription drug benefits coverage, they offer less comprehensive coverage on average than your existing coverage. In comparing cost, please be aware that, in addition to the Medicare Part D monthly premium, you may incur significant annual out-of-pocket expenses for the Part D coverage. **Finally, if you are eligible for a New Hampshire Retirement System (NHRS) subsidy toward your Humana plan coverage, you should consider the impact of enrolling in an independent Medicare Part D Plan on your NHRS subsidy.** For example, NHRS has said that its subsidy cannot be used toward independent Medicare Part D Plan premiums and other out-of-pocket costs.

Note: You are entitled to receive this Notice regarding your prescription drug coverage before the next period you can enroll in Medicare Part D coverage and at certain other times, such as if **Humana's** prescription drug coverage is no longer creditable.

Please contact the person listed below for more information.	
Date:	October 11, 2019
Name of Entity/Sender:	Town of Milford
Contact-Position/Office:	Karen Blow, Human Resource Director
Address:	1 Union Square-Town Hall, Milford, NH 03055
Phone Number:	603-249-0605

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

