Notice of Creditable Coverage

Important Notice from Washington University in St. Louis about Your Prescription Drug Coverage and Medicare

Note: The following information applies only to individuals who are entitled to Medicare benefits. You may disregard this information if neither you nor any of your covered dependents are entitled to Medicare benefits.

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Washington University in St. Louis (the "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. 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 prescription drug coverage with the University 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 University has determined that the prescription drug coverage offered by the University 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. However, because you have creditable prescription drug coverage through the University, you can delay enrolling in a Medicare drug plan until you leave the University and/or are no longer eligible for University benefits. (Please note that the University's Medicare Supplement Plan for retirees age 65 or older does NOT include prescription drug
coverage. So, it is important that you consider enrolling in a Medicare drug plan at that time in order to have continuous prescription drug coverage.) If you lose your current creditable prescription drug coverage you will 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?**

If you decide to join a Medicare drug plan, your current coverage under the University's Prescription Drug Plan will not be affected. There will be no coordination of benefits between your current coverage and coverage under a Medicare drug plan. Because you have creditable prescription drug coverage through the University, you can delay enrolling in a Medicare drug plan until you leave the University and/or are no longer eligible for University benefits.

**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 the University and do not 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 increase 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 (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 your Benefits Office at (314)-935-7745 (Danforth Campus) or (314)-362-9341 (Medical School Campus). You can find additional information about the University's Prescription Drug plan benefits on the prescription drug plan page of the University’s Human Resources website at: http://hr.wustl.edu. NOTE: You’ll receive this notice each year and if the prescription drug coverage through the University changes. You also may 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](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (For Missouri residents, contact CLAIM at 1-800-390-3330 or [www.missouricleaim.org](http://www.missouricleaim.org) 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](http://www.socialsecurity.gov), or call 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).**