

## Notice of Creditable Coverage

**Date:** November 3, 2008

**From:** BGSU Office of Human Resources

This notice is being provided to you the by BGSU Office of Human Resources as required by Medicare. It does not require immediate action on your part. It provides certain protection to you should you wish to enroll in the Medicare prescription plan in the future. You should keep this with your other important health insurance information.

### Important notice about BGSU prescription drug coverage and Medicare

Medicare prescription drug coverage became available for those who **are age 65 or older** in 2006 and who are covered under Medicare.

The BGSU Prescription Drug Plan has been reviewed and determined by the human resources consulting firm of Findley Davies, Inc., to **pass** the actuarial value test for *creditable coverage*. Because your existing coverage with BGSU is better than the standard Medicare prescription coverage, there is no need to purchase the Medicare Part D prescription drug coverage.

### Why it is Important to know That BGSU prescription plan is better than the standard Medicare Part D Coverage

Since the BGSU Prescription Plan was tested and is valued, **on average, at least as good** as the Medicare Standard and was determined to be of higher value, our plan is called a ***creditable prescription drug coverage***. This means you keep the BGSU Prescription Plan as long as you are eligible to participate in that plan.

If you are currently a Medicare participant or become eligible for Medicare and you drop or lose your current coverage with Bowling Green State University and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more to enroll in Medicare prescription drug coverage later. If, after May 15, 2006, you go 63 days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium for Medicare coverage will go up at least 1% for every month that you did not have coverage.

For example, if you go 19 months without coverage, your Medicare prescription drug premium will be at least 19% higher than you would normally have paid. You will have to pay the higher premium as long as you have the Medicare coverage. In addition, you may have to wait until the following November to enroll.

To avoid these future penalties, it's important that you keep this notice certifying that your coverage under Bowling Green State University Prescription Drug Plan is, **on average, at least as good** as the standard Medicare prescription drug coverage. If you enroll in Medicare prescription coverage after May 15, 2006, you may need to present a copy of this notice to show that you are not required to pay the premium penalty and the higher premium amount.

If you retire from Bowling Green State University and are covered under a State Retirement System and eligible for prescription drug coverage with that system, you will want to carefully read the State Retirement Systems information regarding Medicare Part D and its prescription drug coverage plan.

### **If You Need More Information**

For more information about this notice or your current BGSU's prescription drug coverage, contact Donna Wittwer at 419-372-2113. You will receive this notice in the future in your Benefits Open Enrollment Brochure as required by Medicare. You can also request a copy at any time by contacting the Office of Human Resources at 419-372-2112.

More detailed information about Medicare plans that offer prescription drug coverage is in the *Medicare & You* handbook. You will get a copy of the handbook in the mail from Medicare if you have Medicare Part A or B. You may also be contacted directly by Medicare prescription drug plans. You can get more information about Medicare prescription drug plans from the following sources:

- Visit [www.medicare.gov](http://www.medicare.gov) for personalized help
- Call your State Health Insurance Assistance Program (see the Medicare & You handbook for the telephone number)
- 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 to pay for a Medicare prescription drug plan is available from the Social Security Administration (SSA). You can visit SSA online at [www.socialsecurity.gov](http://www.socialsecurity.gov) or call at 1-800-772-1213 (TTY users should call 1-800-325-0778).

**Remember:** Keep this notice. If you enroll in one of the new plans approved by Medicare that offer prescription drug coverage after May 15, 2006, you may need to file a copy of this notice when you join to show that you are not required to pay a higher premium amount.