

About the attached notice...

Federal law requires that LACCD notify you about your creditable coverage under Medicare Part D. If neither you nor your dependents qualify for Medicare because of age or disability, you may disregard this notice.

Important Notice from *Los Angeles Community College District* About Your Prescription Drug Coverage and Medicare

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 whether or not you are required to pay a higher premium (a penalty).

Date of Issue:	October 15, 2008
Name of Entity/Sender:	Los Angeles Community College District
Contact/Office:	LACCD
Address:	770 Wilshire Blvd. Los Angeles, CA 90017
Phone Number:	(888) 428-2980

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with ***Los Angeles Community College District*** 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. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

- 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. *Los Angeles Community College District* has determined that the prescription drug coverage offered by the *Blue Shield and Kaiser* plans is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is considered Creditable Coverage.**

Because your existing coverage is, on average, at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

You can join a Medicare drug plan when you first become eligible for Medicare and each year from November 15th through December 31st. This may mean that you may have to wait to join a Medicare drug plan and that you may pay a higher premium (a penalty) if you join later. You may pay that higher premium (a penalty) as long as you have Medicare prescription drug coverage. However, if you lose creditable prescription drug coverage, through no fault of your own, you will be eligible for a sixty (60) day Special Enrollment Period (SEP) because you lost creditable coverage to join a Part D plan. *In addition, if you lose or decide to leave employer/union sponsored coverage; you will be eligible to join a Part D plan at that time using an Employer Group Special Enrollment Period.* 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.

If you do decide to join a Medicare drug plan, your *Los Angeles Community College District* prescription coverage will not be coordinated with a Medicare Part D plan.

Your Los Angeles Community College District prescription drug benefits are as follows:

Blue Shield HMO	Retail (30-day supply)	Mail Order (90-day supply)
Generic	\$5 copayment per prescription	\$5 copayment per prescription
Brand	\$15 copayment per prescription	\$15 copayment per prescription
Non-Formulary Brand	\$35 copayment per prescription	\$35 copayment per prescription

Blue Shield PPO	Retail (30-day supply)	Mail Order (90-day supply)
Generic	\$5 copayment per prescription	\$10 copayment per prescription
Brand	\$15 copayment per prescription	\$30 copayment per prescription
Non-Formulary Brand	\$45 copayment per prescription	\$90 copayment per prescription

Kaiser	Retail or Mail Order (100-day supply)
Generic	\$5 copayment per prescription
Brand	\$15 copayment per prescription

If you do decide to join a Medicare drug plan and drop your Los Angeles Community College District prescription drug coverage, be aware that if you 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 prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium may go up by at least 1% of the base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without coverage, your premium may consistently be at least 19% higher than the 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.

For more information about this notice or your current prescription drug coverage...

Contact the **LACCD Health Benefits Call Center** at **1-888-428-2980** for further information. **NOTE:** You'll 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 through **Los Angeles Community College District** changes. You also may request a copy.

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).