



University of Colorado
Payroll & Benefit Services
575 SYS
3100 Marine Street, 6th Floor
Boulder, CO 80309-0575

MEDICARE PART D – CREDITABLE COVERAGE NOTICE*

Important Notice from the University of Colorado About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the University of Colorado and about your options under Medicare's prescription drug coverage. This information can help you decide whether 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. The University of Colorado has determined that the prescription drug coverage offered by the UA Net plan, Anthem Blue Cross Blue Shield HMO Colorado plan, Lumenos plan, Medicare Primary plan, and the Kaiser Permanente HMO plan are, 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 University of Colorado 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 15 through December 31. For some individuals this means 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 be required to pay a 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 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.

Professional Resources. Quality Service. Educated Decisions.

If you decide to join a Medicare drug plan, your University of Colorado medical coverage will not be affected. See below for more information about what happens to your current coverage if you join a Medicare drug plan.

If you do decide to join a Medicare drug plan and drop your University of Colorado medical plan which includes prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back. You should also know that if you drop or lose your coverage with the University of Colorado 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 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 percent of the base beneficiary premium per month for every month that you did not have that coverage. For example, if you go 19 months without coverage, your premium may consistently be at least 19 percent 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 Payroll & Benefit Services at 303-735-6500.

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 University of Colorado 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).

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: July 1, 2010

Name of Entity/Sender: University of Colorado

Contact: Office of Payroll & Benefit Services

Address: 3100 Marine Street, 6th Floor, Boulder, CO 80309-0575

Phone Number: 303-735-6500

*This notice is required by the Centers for Medicare and Medicaid Services (CMS) regarding Medicare Part D prescription coverage.

Medicare Part D and University of Colorado

Medicare Part D

Member pays \$310	Member pays 25% of next \$2520 Medicare pays 75% of next \$2520	Member pays 100% of next \$3610	Member pays 5% of costs over \$6440 Medicare pays 95% of cost over \$6440
\$0	\$310	\$2830	\$6440

DRUG EXPENSES

UNIVERSITY PRESCRIPTION DRUG PLANS

Insurance Carrier	Member Pays	Member Pays	Carrier Pays
UA Net Anthem retail	No deductible	Member pays \$15/\$35 copay—retail	Carrier pays 100% after copay
UA Net UCH retail/mail	No deductible	Member pays \$12.50/\$30 copay-retail \$25/\$60 copay- mail order	Carrier pays 100% after copay
HMO Colorado	No deductible	Member pays \$15/\$35 copay—retail \$30/\$70 copay—mail order	Carrier pays 100% after copay
Kaiser Permanente HMO	No deductible	Member pays \$15/\$35 copay—retail \$30/\$70 copay—mail order	Carrier pays 100% after copay
Lumenos	\$1,500/\$3,000 Deductible	Member pays 20% up to \$3,000/\$6,000, then member pays 0% for balance of the plan year— retail and mail order	Carrier pays 80% up to \$3,000/\$6,000, then carrier pays 100% for balance of the plan year
Medicare Primary Retail	\$240 deductible	Member pays 20% up to \$2400/\$7200, then member pays 0% for the balance of the plan year	Carrier pays 80% up to \$2,400/\$7,200, then carrier pays 100% for balance of the plan year
Medicare Primary Mail Order	\$150 deductible	Member pays \$25/\$50/\$100 copay	Carrier pays 100% after copay