

Important Notice from Daytona State College About Your Prescription Drug Coverage and Medicare

(For Plan Year effective July 1, 2010 to June 30, 2011)

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Daytona State College and about the options available under Medicare's prescription drug coverage for those who are Medicare eligible. 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 decision 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 through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drugs. 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. Daytona State College has determined that the prescription drug coverage offered by our group medical plans are, on average for all participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay and are 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 prescription drug coverage.

Individuals can join a Medicare prescription drug plan when they first become eligible for Medicare and each year from November 15th through December 31st. Beneficiaries losing creditable prescription drug coverage could be eligible for a sixty (60) day Special Enrollment Period (SEP) to join a Medicare prescription drug plan.

You should compare your current coverage, including which drugs are covered, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area.

If you do decide to join a Medicare prescription drug plan and drop your Daytona State College prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back.

Please contact your Employee Benefits Department for more information about what happens to your coverage if you join in a Medicare prescription drug plan

You should also know that if you drop or lose your coverage with Daytona State College and don't join a Medicare prescription drug plan after your current coverage ends, you may pay more (a penalty) to join a Medicare prescription drug coverage later.

If 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 may go up by at least 1% of the base beneficiary premium per month for every month that you did not have 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 your Employee Benefits Department for additional information or to request a duplicate copy of this notice. You will receive this notice annually and at other times in the future such as before the next period you can join a Medicare prescription drug coverage plan.

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 plans:

- 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 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).

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