

MONTANA UNIVERSITY SYSTEM
OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION
Montana University System Employee Benefits Office

2500 Broadway ♦ PO Box 203203 ♦ Helena, Montana 59620-3203
 (406) 444-2574 ♦ (877) 501-1722 ♦ FAX (406) 444-0222

OCTOBER 2016

IMPORTANT NOTICE FROM THE MONTANA UNIVERSITY SYSTEM
ABOUT YOUR PRESCRIPTION DRUG COVERAGE AND MEDICARE PART D

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 Montana University System's group health benefits plan 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 plan 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 coverage 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 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 Montana University System Group Health Benefits Plan (MUS Plan) has determined that the prescription drug coverage offered by the MUS Plan 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, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.



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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 MUS Plan coverage will be affected. You cannot have a separate Medicare Part D plan at the same time that you have coverage on the MUS Plan. If you do sign up for a separate Part D Plan, we will notify you that you have to choose between the separate Medicare Part D Plan and the MUS Plan. If you choose to remain on the separate Part D plan, your enrollment in the MUS Plan will be cancelled and you will not be allowed to reenroll in the MUS Plan. Please consider this decision very carefully, as the MUS Plan covers not only your prescription drug purchases but also many of your health expenses, as secondary payer to your Medicare coverage for hospital, physician, and other related medical costs.

Remember: if you sign up for a separate Medicare Part D plan, your MUS Plan will be cancelled and you will not have an opportunity to get coverage back.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

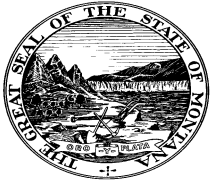
If you drop or lose your MUS Plan coverage and don't enroll in a Medicare Part D plan after your current coverage ends, you may have to pay more to enroll in Medicare prescription drug coverage at a later date. If you let 63 or more days pass without prescription drug coverage that is at least as good as standard Medicare Part D, your monthly premium will go up by at least 1% per month for every month that you do not have prescription drug coverage. You may have to pay a higher premium (a penalty) for as long as you have Medicare prescription drug coverage. You may also have to wait until the next open enrollment period, i.e., October, to enroll.

For More Information about This Notice or Your Current Prescription Drug Coverage ...

Contact the representatives at phone numbers listed below 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 the MUS Plan 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 and You" handbook. You'll get a copy of that 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:



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Visit <https://www.medicare.gov/>.

Call your State Health Insurance Assistance Program. Phone numbers are listed in the “Medicare and You” handbook.

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).

NOTE: If you are currently enrolled in the MUS Medicare Advantage Retiree Plan (MUSMAP) offered through New West Health Services, you may disregard this notice, as it does not pertain to your current prescription coverage. If you change to a managed care medical plan through MUS during an annual enrollment period or due to a qualifying event, the contents of this notice will again apply to you.

Remember that if you enroll in a Medicare Part D plan, even one that is free, you may lose your MUS Plan coverage including MUS prescription drug coverage.

The Montana University System encourages you to contact your campus benefits representative if you have any questions concerning the MUS Plan. You may also call the Employee Benefits Office in Helena, MT, at 406-444-2574 or 1-800-501-1722. You can also access MUS Benefits and Insurance at <http://choices.mus.edu/>.

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).