



October 12, 2023

Important Notice regarding RISD Prescription Drug Coverage and Medicare

Dear RISD Group Medical Insurance Participant and/or Covered Dependents:

Please read this notice carefully and keep it where you can find it as it contains important information about your current RISD prescription drug coverage and options under Medicare's prescription drug coverage. This notice may be helpful if you and/or your covered dependents are eligible for and considering joining a Medicare drug plan. Remember, an individual may be eligible for Medicare when he/she is age 65 or older or when he/she is under age 65 and has certain qualifying disabilities or medical conditions. If you are considering joining a Medicare prescription drug plan, you should compare your current coverage and costs with the coverage and costs of the other plans offering Medicare prescription drug coverage.

Medicare prescription drug coverage became available in 2006 to everyone with Medicare and can be purchased separately or as part of a Medicare Advantage Plan (like an HMO or PPO) which offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may offer more robust coverage for a higher monthly premium.

RISD has determined that the current prescription drug coverage offered through RISD's Blue Cross and Blue Shield group plans are creditable since, they are expected to cover at least as much as standard Medicare prescription drug coverage. Because your existing coverage is creditable coverage, you can keep this coverage and avoid a penalty if you decide to join a Medicare drug plan at a later date.

To help you further evaluate your options and rights, below please find a list of frequently asked questions and their answers.

1. When can I join a Medicare drug plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15 to December 7. However, if you lose your current RISD creditable prescription drug coverage, through no fault of your own, you will also be eligible to join a Medicare drug plan for a two (2) month Special Enrollment Period (SEP).

2. What happens to my current RISD coverage if I decide to join a Medicare drug plan?

If you decide to join a Medicare drug plan, your RISD coverage may continue and will coordinate with Part D. If you do decide to join a Medicare drug plan and drop your RISD medical and prescription drug coverage, you and your dependents may not be able to get this coverage back until the next open enrollment period.

3. When would I be required to pay a higher premium (or penalty) to join a Medicare drug plan?

If you drop or lose your current coverage with RISD and 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 creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare 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 October to join.

4. Where can I find more information about this notice or my current RISD prescription drug coverage?

For more information about this notice or your current prescription drug coverage, please feel free to contact me at 401.454.6429, jengli01@risd.edu.

5. How often will I receive this notice?

You'll get this notice each year, before the annual enrollment period for Medicare prescription drug coverage, or if RISD's current prescription drug changes. You also may request a copy of this notice at any time.

6. Where can I find more information about options under Medicare prescription drug coverage?

More detailed information about Medicare plans that offer prescription drug coverage may be found:

- In the "Medicare & You" handbook,
- From other Medicare drug plans that may contact you,
- By visiting www.medicare.gov,
- By calling 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, and/or
- By calling 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

7. Is there financial assistance for Medicare prescription drug coverage?

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 to 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).

Sincerely,

Jill English

Director, Compensation & Benefits