

Important Notice from [Insert Name of Entity] About 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 coverage with [Insert Name of Entity] and new prescription drug coverage available January 1, 2006 for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

1. Starting January 1, 2006, new Medicare prescription drug coverage will be available to everyone with Medicare.
2. [Insert Name of Entity] has determined that the prescription drug coverage offered by [Insert Name of Plan] is, on average for all participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay.
3. Read this notice carefully – it explains the options you have under Medicare prescription drug coverage, and can help you decide whether or not you want to enroll.

You may have heard about Medicare's new prescription drug coverage, and wondered how it would affect you. [Insert Name of Entity] has determined that your prescription drug coverage with [Insert Name of Plan] is, on average for all plan participants, expected to pay out as much as the standard Medicare Prescription drug coverage will pay.

Starting January 1, 2006, prescription drug coverage will be available to everyone with Medicare through Medicare prescription drug plans. All Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans might offer more coverage for a higher monthly premium.

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 extra if you later decide to enroll in Medicare coverage.

People with Medicare can enroll in a Medicare prescription drug plan from November 15, 2005 through May 15, 2006. However, because you have existing prescription drug coverage that, on average, is as good as Medicare coverage, you can choose to join a Medicare prescription drug plan later. Each year after that, you will have the opportunity to enroll in a Medicare prescription drug plan between November 15th and December 31st.

If you do decide to enroll in a Medicare prescription drug plan and drop your [Insert Name of Entity] prescription drug coverage, be aware that you may not be able to get this coverage back.

If you do drop your coverage with [Insert Name of Entity] and enroll in a Medicare prescription drug plan, you may not be able to get this coverage back later. You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

[CMS recommends that the entity providing this notice insert an explanation of the prescription drug coverage option(s) that beneficiaries will have available to them when the Medicare Part D benefit becomes available.] In addition, your current coverage

pays for other health expenses, in additions to prescription drugs, and you will [or will not] be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan.

You should also know that if you drop or lose your coverage with [Insert Name of Entity] and you don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more to enroll in Medicare prescription drug coverage later. If after May 15, 2006, 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 will go up at least 1% per month for every month after May 15, 2006 that you did not have that coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what most people pay. You'll have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until next November to enroll.

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

Contact our office for further information [or call [Insert Alternative Contact] at (XXX) XXX-XXXX]. NOTE: You may receive this notice at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage changes. You may also request a copy.

**For more information on your options under
Medicare prescription drug coverage...**

More detailed information about Medicare plans that offer prescription drug coverage will be available October 2005 in the "*Medicare & You, 2006*" handbook. You'll get a copy of the handbook in the mail from Medicare. You may also be contacted directly by Medicare prescription drug plans. You can also get more information about Medicare prescription drug plans from these places:

- Visit www.medicare.gov for personalized help;
- Call your State Health Insurance Assistance Program (see your copy of the "*Medicare & You*" handbook for their telephone number); or
- Call 1-800-MEDICARE (1-800-633-4227); TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. Information about this extra help is available from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).