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Important Informational Notice from Public Employees' Benefits Program About Your Low Deductible Plan (PPO) 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 PEBP 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. 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 plans 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 (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. PEBP has determined that the prescription drug coverage offered by the Low Deductible Plan (PPO) 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.

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 Low Deductible Plan (PPO) prescription drug coverage will not coordinate prescription drug benefits with your Medicare Part D drug plan.

When Will You Pay a Higher Premium (Penalty) to Join a Medicare Drug Plan?

If you drop or lose your current prescription drug coverage with the Low Deductible Plan (PPO) 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 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.

For More Information About This Notice or Your Current Prescription Drug Coverage:

You may contact PEBP Member Services Monday through Friday between 8AM and 5PM. They can be reached at 775-684-7000, 702-486-3100, 1-800-326-5496, or by sending a secure message through your [E-PEBP Portal](#).

NOTE: *You will get this notice each year. You may also get this notice before the next period you can join a Medicare drug plan, and if the coverage through the Public Employees' Benefits Program changes. You may also request a copy of this notice at any time by calling PEBP Member Services at the numbers listed above.*

For More Information About Your Options Under Medicare Prescription Drug Coverage:

Please refer to the *Medicare & You* handbook available <https://www.medicare.gov/medicare-and-you>. If you have Medicare, you will receive the *Medicare & You* handbook in the mail from Medicare each year.

For more information about Medicare prescription drug coverage:

- Visit: <https://www.medicare.gov/>.
- Contact your State Health Insurance Assistance Program (refer to the inside back cover of your *Medicare & You* handbook for a telephone number in your area).
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, you may be eligible for extra help to pay for your Medicare prescription drug coverage. For information about this extra help, visit the Social Security Administration (SSA) website at <https://www.ssa.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 you have maintained creditable coverage and, therefore, whether you are required to pay a higher premium (a penalty).