

Important Notice from the Catholic Diocese of Cleveland about Your Prescription Drug Coverage and Medicare

This notice is intended for all health care plan participants who are Medicare eligible or who have Medicare-eligible dependents. It is being sent to everyone for completeness.

If you or your dependents are not eligible for Medicare, i.e., because you are not age 65 or disabled, please disregard this notice.

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 Catholic Diocese of Cleveland 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 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:

- a. 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.
- b. The Catholic Diocese of Cleveland has determined that the prescription drug coverage offered by the Catholic Diocese of Cleveland Group Health Plan through CVS Caremark 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, 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 through 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 are an active employee or dependent eligible for Medicare and decide to join a Medicare drug plan, your current Catholic Diocese of Cleveland coverage will not be affected, i.e. Medicare will pay as secondary. If you are a Medicare-eligible dependent of an active employee and decide to drop your medical and prescription drug coverage to join a Medicare drug plan, be aware that you may not be able to get this coverage back until the next open enrollment period.

If you are a retired employee, member of religious order or clergy eligible for Medicare and decide to join a Medicare drug plan, your Medicare Part D coverage will be primary and the Catholic Diocese of Cleveland coverage will be secondary. If you do decide to enroll in a Medicare prescription drug plan and drop your Catholic Diocese of Cleveland medical and prescription drug coverage, be aware that you will not be able to get this coverage back.

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

You should also know that if you drop or lose your current coverage with the Catholic Diocese of Cleveland 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 19 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.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the Catholic Diocese of Cleveland at the numbers listed below for more information. **NOTE:** You will receive this notice each year. You will also receive it before the next period you can join a Medicare drug plan, and if this coverage through the Catholic Diocese of Cleveland 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 & You" handbook. You will receive 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 coverage:

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 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).

Date: October 5, 2022

Name of Sender: Catholic Diocese of Cleveland

Contact: Employee Benefits Office

Address: 1404 East Ninth Street, 8th Floor
Cathedral Square Plaza Building
Cleveland, OH 44114-1722

Phone Number: (216) 696-6525 or (800) 869-6525 in Ohio, ext. 5040 or
(216) 621-3700