



# Mount Carmel Area School District

600 W 5TH ST  
MOUNT CARMEL PA 17851-1897  
PHONE: 570-339-1500 FAX: 570-339-0487

October 2, 2017

## **Re: IMPORTANT NOTICE Regarding Your Prescription Drug Coverage**

Dear Plan Participant:

Attached is the annual notice regarding your prescription drug coverage through Mount Carmel Area School District, and how this coverage relates to the prescription drug coverage offered through the Medicare program, also known as Medicare Part D.

**If you or any of your dependents are eligible for Medicare (or are about to become eligible for Medicare), PLEASE read this letter and its attachment, as they contain vital information regarding your decision whether or not to enroll in a Medicare Part D plan.** With the numerous Medicare Part D plans that are being marketed by insurance companies and other groups, it is critically important that you understand the coverage you currently have through Mount Carmel Area School District, and what that coverage means for your decision whether or not to enroll in a Medicare Part D plan.

**As long as you are covered under the prescription drug plan provided by Mount Carmel Area School District, which has been determined to be, on average, as good or better than the standard Medicare Part D benefit, you are not required to sign up for a Medicare Part D plan and you may remain covered under your current employer-provided coverage. You will not be penalized by Medicare in the future if/when your employer-provided coverage ceases and you then enroll in a Medicare Part D plan.**

Mount Carmel Area School District will continue to offer prescription drug coverage to you. The intent of the attached notice is to provide documentation for Medicare eligible individuals that the coverage that they are provided is, on average for all plan participants, at least as good as the standard Medicare Part D benefit.



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## Important Notice from Mount Carmel Area School District About Your 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 Mount Carmel Area School District and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drug coverage. All Medicare prescription 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. Mount Carmel Area School District has determined that the prescription drug coverage offered by the Mount Carmel Area School District is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay and is considered Creditable Coverage.

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**Because your existing coverage with Mount Carmel Area School District 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 prescription drug coverage.**

Individual's can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from October 15 through December 7. This may mean that you may have to wait to join a Medicare drug plan and that you may pay a higher premium (a penalty) if you join later. You may pay that higher premium (a penalty) as long as you have Medicare prescription drug coverage. However, if you lose creditable prescription drug coverage, through no fault of your own, you will be eligible for a sixty (60) day Special Enrollment Period (SEP) because you lost creditable

coverage to join a Part D plan. In addition, if you lose or decide to leave employer/union sponsored coverage; you will be eligible to join a Part D plan at that time using an Employer Group Special Enrollment Period. 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.

**Mount Carmel Area School District will continue to offer prescription drug coverage to you.** In addition, your current coverage pays for other health expenses, in addition to prescription drugs, and you will [or will not] still be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan. ***{Note: Employers must decide how to complete this sentence. Most employers will answer this question as "will" until such time as collective bargaining or board policy provides for change.}*** **If you do decide to enroll in a Medicare prescription drug plan and drop your Mount Carmel Area School District prescription drug coverage, be aware that you may not be able to return to your Mount Carmel Area School District coverage.**

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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.

You should also know that if you drop or lose your coverage with Mount Carmel Area School District and don't enroll in Medicare prescription drug coverage within 63 continuous days after your current coverage ends, you may pay more (a penalty) to enroll in Medicare prescription drug coverage later.

If 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% of the base beneficiary premium per month for every month 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 many other people pay. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to enroll.

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

Contact the District Office for further information at 570-339-1500. NOTE: You will receive this notice annually and at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage through the Mount Carmel Area School District changes. You also may request a copy.

**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’ll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see 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.

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

**Remember: Keep this notice. If you enroll in one of the new plans approved by Medicare which offer prescription drug coverage, you may be required to provide a copy of this notice when you join to show that you are not required to pay a higher premium amount.**

Date: 10/2/2017  
Name of Entity/Sender: Mount Carmel Area School District  
Contact--Position/Office: Corrina Lesko – Business Office Manager  
Address: 600 W. 5<sup>th</sup> Street, Mount Carmel, PA 17851  
Phone Number: 570-339-1500