

Important Notice to Team Members from Augusta Health About Your Creditable Prescription Drug Coverage and Medicare

The purpose of this notice is to advise you that the prescription drug coverage under The Augusta Health Care, Inc. Employee Benefit Plan, Group No 18816 (Augusta Health Medical Plan) is expected to pay out, on average, at least as much as the standard Medicare prescription drug coverage in 2024. This is known as “creditable coverage.”

Why this is important. If you or your covered dependent(s) are enrolled in any prescription drug coverage during 2024 listed in this notice, you may decide to join a Medicare prescription drug plan later and not be subject to a late enrollment penalty – provided you had creditable coverage within 63 days of your Medicare prescription drug plan enrollment. You should keep this notice with your important records.

If you or your family members aren’t currently covered by Medicare or have plans to become newly covered by Medicare in the next 12 months, you may 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 Augusta Health 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.

Notice of Creditable Coverage

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. Augusta Health has determined that the prescription drug coverage offered by the Augusta Health Medical Plan, 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 prescription drug plan and you are an active team member or are eligible dependent(s) of an active team member, you may also continue your Augusta Health Medical coverage. If you enroll in a Medicare drug plan, you and your eligible dependents will still be able to receive all current health and prescription drug benefits. In this case, the Augusta Health Medical Plan will pay primary, and Medicare will pay secondary. If you waive or drop Augusta Health Medical coverage, Medicare will be your only payer. You are eligible to re-enroll in the Augusta Health Medical Plan during Augusta Health's Open Enrollment or if you have a special enrollment (mid-year qualified event) or are otherwise newly eligible to enroll in the Augusta Health medical benefit plan mid-year, assuming you remain eligible.

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 Augusta Health Medical Plan 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) if you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

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 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) and 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 you have maintained creditable coverage and, therefore, whether you are required to pay a higher premium (a penalty).

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

Contact the Augusta Health Human Resources office at the number listed below for further information. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan or if this coverage through the Augusta Health Medical Plan changes. You also may request a copy of this notice at any time.

As in all cases, the Augusta Health Medical Plan reserves the right to modify benefits at any time, in accordance with applicable law.

For more information about this notice or your prescription drug coverage, contact:

Augusta Health
Human Resources Benefits Office
78 Medical Center Drive
Fishersville, VA 22939
540-332-4700
humanresources@augustahealth.com

Date: October 1, 2024

Notice Pertaining to CMS Form 10182-CC Updated April 1, 2011 - According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0990. The time required to complete this information collection is estimated to average 8 hours per response initially, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.