



## **Important Notice About Your Prescription Drug Coverage and Medicare**

This Notice provides information about your current prescription drug coverage under the group health plan offered by Grand Rapids Community College (“GRCC”) and the prescription drug coverage for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether you want to enroll. You may receive this Notice or an updated version of this Notice on an annual basis. You may also request an additional copy of this Notice at any time.

**This Notice affects individuals who are enrolled in or eligible to enroll in Medicare. You or a family member may be enrolled in Medicare based on age (on or after attaining age 65), a disability or permanent kidney failure (end-stage renal disease). If no one in your family is enrolled in or eligible to enroll in Medicare, the information in this Notice does NOT apply to you.**

For further information about this Notice or your prescription drug coverage through GRCC, you may contact GRCC at the following address and/or telephone number:

Grand Rapids Community College  
Human Resources  
143 Bostwick, N.E.  
Grand Rapids, MI 49503  
(616) 234-4175 or 234-4058

**If this Notice applies to you or a family member, you should read it carefully and keep it where you can find it.**

### **Key Information About Medicare Prescription Drug Coverage**

- Medicare prescription drug coverage became available in 2006 to everyone who is eligible for Medicare. You can get this coverage if you join a Medicare prescription drug plan or a Medicare Advantage plan (like an HMO or PPO) that offers prescription drug coverage.
- You can join a Medicare prescription drug plan or Medicare Advantage plan when you first become eligible for Medicare and each year from November 15 through December 31. In addition, if you lose coverage through GRCC through no fault of your own, you will be eligible to sign up for a Medicare prescription drug plan at that time during a two-month special enrollment period.
- All Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.

## Key Information About GRCC's Prescription Drug Coverage

- GRCC currently offers a group health plan with prescription drug coverage to eligible employees and their eligible dependents.
- GRCC has determined that the prescription drug coverage offered under all of the benefit options available under its group health plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay. In other words, for most people, the prescription drug coverage provided under the group health plan is at least good as the coverage they can get from a Medicare prescription drug plan. This is known as “creditable” coverage.

Because GRCC's group health plan provides “creditable” prescription drug coverage, individuals covered under the group health plan who are also enrolled in or eligible to enroll in Medicare can keep other coverage under the group health plan and not pay a higher premium (a penalty) if they later decide to enroll in a Medicare prescription drug plan.

## Frequently Asked Questions

1. ***Can my family and I keep our health coverage through GRCC if one or more of us enrolls in a Medicare prescription drug plan?***

Yes. A person's enrollment in a Medicare prescription drug plan will generally not affect his or her eligibility for coverage under GRCC's group health plan.

However, as long as you (the employee) are actively working for GRCC, the coverage you receive from GRCC will usually be the primary coverage for you and your family. Therefore, it may not make sense for you or a family member to enroll in a Medicare prescription drug plan (or Medicare Part B) while you are actively working for GRCC.

2. ***If a family member or I decide to enroll in a Medicare prescription drug plan and Medicare Parts A and B and drop health coverage through GRCC, can we get our health coverage through GRCC back if we decide we don't like the Medicare coverage?***

Yes, as long as you are otherwise eligible for coverage from GRCC. However, if you drop the health coverage provided by GRCC you will generally not be able to re-enroll in that coverage until the next open enrollment period.

Before dropping health coverage through GRCC, you and your family should consider that the coverage under GRCC's group health plan pays for other health expenses in addition to prescription drugs, which may or may not be covered under Medicare Parts A and B and Medicare prescription drug coverage to the same extent they are covered GRCC's group health plan.

You should compare your current coverage through GRCC with the coverage and cost of the Medicare prescription drug coverage plans providing coverage in your area (and Medicare Parts A and B) before deciding whether to drop your coverage through GRCC.

3. ***What happens if my family and I elect to keep my coverage through GRCC and not enroll in Medicare prescription drug coverage until I leave GRCC?***

Because the prescription drug coverage provided under GRCC’s group health plan is considered “creditable coverage,” you can choose to join a Medicare prescription drug plan at a later time without paying a higher premium (a penalty). Each year, Medicare beneficiaries have the opportunity to enroll in a Medicare prescription drug plan between November 15 and December 31. You will also be entitled to a two-month special enrollment period if your coverage from GRCC ends through no fault of your own.

However, individuals who drop or lose health coverage through GRCC but don’t enroll in Medicare prescription drug coverage within a certain period of time may pay more to enroll in Medicare prescription drug coverage later.

If you go 63 days or longer without creditable prescription drug coverage, your monthly premium may go up at least 1% of the Medicare base beneficiary premium per month for every month that you did not have creditable coverage. For example, if you go 19 months without creditable coverage, your premium will always 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 November to enroll.

4. ***Where can my family and I get more information about Medicare prescription drug coverage?***

More detailed information about Medicare plans that offer prescription drug coverage is available in the “Medicare & You” handbook. Medicare beneficiaries will receive a copy of the handbook in the mail every year from Medicare. Representatives of Medicare prescription drug plans may also contact beneficiaries directly. For more information about Medicare prescription drug plans:

- Visit [www.medicare.gov](http://www.medicare.gov).
- Call the Michigan Medicare Assistance Program at 1-800-803-7174.
- Call the Area Agency on Aging of Western Michigan at 1-616-456-5664 or 1-888-456-5664.
- 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. For more information about this extra help, visit Social Security 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 decide to enroll in a Medicare prescription drug plan, you may need to provide a copy of this Notice when you join to show whether you have maintained creditable coverage and whether you are required to pay a higher premium (a penalty).**

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