

Important Notice from [Name of Entity] About 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 coverage with [Insert Name of Entity] and new prescription drug coverage available soon for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

1. Starting January 1, 2006, new Medicare prescription drug coverage will be available to everyone with Medicare.
 2. [Insert Name of Entity] has determined that the prescription drug coverage offered by the [Insert Name of Plan] is, on average for all participants, NOT expected to pay out as much as the standard Medicare prescription drug coverage will pay. This is important, because for most people, enrolling in Medicare prescription drug coverage before May 15, 2006 means that you will get more assistance with drug costs.
 3. You have decisions to make about Medicare prescription drug coverage that may affect how much you pay for that coverage, depending on if and when you enroll. Read this notice carefully – it explains your options.
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You may have heard about Medicare's new prescription drug coverage, and wondered how it would affect you. Starting January 1, 2006, prescription drug coverage will be available to everyone with Medicare through Medicare prescription drug plans. All Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans might offer more coverage for a higher monthly premium.

You might want to consider enrolling in Medicare prescription drug coverage.

Because the coverage you have with [Insert Name of Plan] is, on average for all plan participants, NOT expected to pay out as much as the standard Medicare prescription drug coverage will pay, you might want to consider enrolling in a Medicare prescription drug plan. You can first join between November 15, 2005 and May 15, 2006. **This is important, because if you do not get Medicare prescription drug coverage (or equivalent coverage) before May 15, 2006, you may have to pay a higher premium if you join later. You will pay that higher premium as long as you have Medicare prescription drug coverage.**

If you don't enroll in Medicare prescription drug coverage by May 15, 2006 and change your mind later, you may pay more.

If you wait until after May 15, 2006 to enroll, your monthly premium for a Medicare prescription drug plan could be much higher than it would have been if you had enrolled

by May 15. If, after May 15, 2006, you go 63 days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your premium will go up at least 1% per month for every month after May 15, 2006 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 most people pay. You'll have to pay this higher premium as long as you have Medicare coverage.

Generally, after May 15, 2006, you can only join a Medicare prescription drug plan between November 15th and December 31st of any year. This may mean the number of months you have to wait for coverage will be longer, which could make your premium higher.

[CMS recommends that the entity providing this notice insert an explanation of the prescription drug coverage option(s) that beneficiaries will have available to them when the Medicare Part D benefit becomes available.] In addition, your current coverage pays for other health expenses, in addition to prescription drugs. You will [or will not] be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan.

**You need to make a decision.
For more information about this notice
or your current prescription drug coverage...**

When you make your decision, you should also 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.

Contact our office for further information [or call [Insert Alternative Contact] at (XXX) XXX-XXXX]. NOTE: You may receive this notice at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage changes. You may also request a copy.

**For more information on your options under
Medicare prescription drug coverage...**

More detailed information about Medicare plans that offer prescription drug coverage will be available October 2005 in the "*Medicare & You, 2006*" handbook. You'll get a copy of the handbook in the mail from Medicare. You may also be contacted directly by Medicare prescription drug plans. You can also get more information about Medicare prescription drug plans from these places:

- Visit www.medicare.gov for personalized help;
- Call your State Health Insurance Assistance Program (see your copy of the "*Medicare & You*" handbook for their telephone number); or
- 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. Information about this extra help is available from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY1-800-325-0778).