

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a federal law gives you more choices about your prescription drug coverage. Please read the attached notice for more details.

Employees/Retirees of OKOBOJI COMMUNITY SCHOOL DISTRICT

Re: Medicare Part D Creditable Coverage Notice 2017

Effective January 1, 2006 Medicare began providing prescription drug benefits under Medicare Part D. As a sponsor of group health benefits, we are required to provide our employees an annual *Notice of Creditable Coverage*.

Since we offer prescription drug coverage to Medicare-eligible participants (individuals who have attained age 65 - whether active or retired, spouses over age 65, certain disabled employees and their spouses, and individuals with End Stage Renal Disease), we need to comply with Medicare *Notice of Creditable Coverage* requirements.

Okoboji Community Schools medical plans' prescription drug coverage is considered "Creditable" under Medicare guidelines. Please keep this notice with your insurance paperwork as you may be required to provide this notice if you become eligible for Medicare in the future.

If you are not eligible for Medicare at this time, please keep this notice for your reference. No action needs to be taken at this time.

Important Notice from Okoboji Community Schools About Creditable Prescription Drug Coverage and Medicare for 2016-17

The purpose of this notice is to advise you that the prescription drug coverage listed below under the Okoboji Community Schools medical plan is expected to pay out, on average, at least as much as the standard Medicare prescription drug coverage will pay in 2015. 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 2015 listed in this notice and are or become covered by Medicare, you may decide to enroll in a Medicare prescription drug plan later and not be subject to a late enrollment penalty – as long as 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 and won't become covered by Medicare in the next 12 months, this notice doesn't apply to you.

Notice of Creditable Coverage

Please read this notice carefully. It has information about prescription drug coverage with Okoboji Community Schools and prescription drug coverage available for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

You may have heard about Medicare's prescription drug coverage (called Part D), and wondered how it would affect you. Prescription drug coverage is available to everyone with Medicare through Medicare prescription drug plans. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans also offer more coverage for a higher monthly premium.

Individuals can enroll in a Medicare prescription drug plan when they first become eligible, and each year from October 15 through December 7. Individuals leaving employer/union coverage may be eligible for a Medicare Special Enrollment Period.

If you are covered by one of the Okoboji Community Schools prescription drug plans listed below, you'll be interested to know that coverage is, on average, at least as good as standard Medicare prescription drug coverage for **2016-17**. This is called creditable coverage. Coverage under one of these plans will help you avoid a late Part D enrollment penalty if you are or become eligible for Medicare and later decide to enroll in a Medicare prescription drug plan.

Okoboji Community Schools 500 or 750 Deductible Plans

If you decide to enroll in a Medicare prescription drug plan and you are an active employee or family member of an active employee, you may also continue your employer coverage. In this

case, the employer plan will continue to pay primary or secondary as it had before you enrolled in a Medicare prescription drug plan. If you waive or drop Okoboji Community Schools coverage, Medicare will be your only payer. You can re-enroll in the employer plan at anytime as a Late Enrollee or if you have a special enrollment event for the Okoboji Community Schools plan.

You should know that if you waive or leave coverage with Okoboji Community Schools and you go 63 days or longer without creditable prescription drug coverage (once your applicable Medicare enrollment period ends), your monthly Part D premium will go up at least 1% per month for every month that you did not have creditable coverage. For example, if you go 19 months without coverage, your Medicare prescription drug plan premium will always be at least 19% higher than what most 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 October to enroll in Part D.

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, if this Okoboji Community Schools coverage changes, or upon your request.

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. Medicare participants will get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. Here's how to get more information about Medicare prescription drug plans:

- Visit www.medicare.gov for personalized help.
- Call your State Health Insurance Assistance Program (see a copy of the *Medicare & You* handbook for the telephone number).
- 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 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this notice. If you enroll in a Medicare prescription drug plan after your applicable Medicare enrollment period ends, you may need to provide a copy of this notice when you join a Part D plan to show that you are not required to pay a higher Part D premium amount. For more information about this notice or your prescription drug coverage, contact: Joan Brown Okoboji Community Schools 1205 7th Street Milford, IA 51351 712-338-4757