

## **Important Notice from LACERA 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 a LACERA-administered medical plan 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.

1. In 2006, Medicare prescription drug coverage became available to everyone with Medicare. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare.
2. LACERA has determined that the prescription drug coverage offered by the LACERA-administered medical plans 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.

---

**Because your existing coverage 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.**

Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare, or during the annual enrollment period each year from November 15<sup>th</sup> through December 31<sup>st</sup>. Beneficiaries leaving employer/union coverage may be eligible for a Special Enrollment Period to sign up for a Medicare prescription drug plan.

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.

**If you do decide to enroll in other Medicare prescription drug plans and drop your LACERA-administered medical plan, you and your dependents may not be able to get your LACERA-administered medical coverage back until later.**

**Please contact us for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.**

You should also know that if you drop or lose your coverage with LACERA and don't enroll in Medicare prescription drug coverage right away 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% 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 LACERA's Retiree Health Care Division for further information by calling (800) 786-6464, press 1, or (626) 564-6132. Or, you may download a copy from our website at [www.lacera.com](http://www.lacera.com) under the *Brochures and Forms* section. 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 your LACERA-administered medical plan coverage 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:

- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- 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.

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 you 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:** June 2009

**Name of Entity/Sender:** LACERA

**Contact – Position/Office:** Retiree Health Care Division

**Address:** 300 N. Lake Avenue  
Pasadena, CA 91101

**Phone Number:** (800) 786-6464, press 1, or (626) 564-6132

**Website:** [www.lacera.com](http://www.lacera.com)