

**EGYPTIAN AREA SCHOOLS  
EMPLOYEE BENEFIT TRUST**

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*13 Executive Drive, Suite 19, Fairview Heights, IL 62208*

**IMPORTANT NOTICE FROM EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFITS TRUST ABOUT  
YOUR PRESCRIPTION DRUG COVERAGE AND MEDICARE NOTICE OF CREDITABLE COVERAGE  
UNDER PLATINUM, GOLD, SILVER, OR COPPER PLAN**

***If you are eligible for Medicare, please read this notice carefully.***

**Please read this notice carefully and keep it where you can find it.** This notice has information about your current prescription drug coverage with the Egyptian Area Schools Employee Benefit Trust if you are enrolled in the Platinum, Gold, Silver, or Copper Plan and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not 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.

**There are two important things you need to know about your current coverage and Medicare's prescription drug coverage. You should understand your options. This notice explains the options and can help you decide whether you want to enroll in a Medicare prescription drug plan.**

- 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. Egyptian Area Schools Employee Benefit Trust has determined that the prescription drug coverage offered by the Platinum, Gold, Silver, and Copper Plans 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 your coverage with Egyptian Trust 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?**

The Egyptian Trust does not offer prescription drug coverage separately from other health care benefits, so you cannot drop your prescription drug coverage and keep your other health coverage with the Egyptian Trust. If you choose to enroll in a Medicare prescription drug plan and keep your coverage with the Trust, your prescription drug benefits will be coordinated with the prescription drug benefits provided by the Trust so benefits are not duplicated. If you are an active employee or dependent of an active employee, the Egyptian Trust will be your primary prescription drug coverage. If you are a retired employee or dependent of a retired employee, the Medicare plan will be your primary coverage if you enroll in a Medicare prescription drug plan. In either case, prescription drug costs paid by the Egyptian Trust will not count as out-of-pocket expenses under your Medicare prescription drug plan.

If you have Medicare and are retired or pay all of the cost of your coverage yourself, it may be cheaper for you to drop your coverage with the Egyptian Trust. You may buy a private Medicare supplement (Medigap) policy and a Medicare prescription drug plan for less than what you pay for your coverage with the Trust. Alternatively, you may enroll in a Medicare Advantage Plan instead of regular Medicare and receive all of your health care benefits, including prescription drug coverage, from a single provider. **You should know, however, that if you drop your coverage, you cannot reenroll in the Egyptian Trust Medical Benefit Plan after you retire.**

#### **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 Egyptian Area Schools Employee Benefit Trust 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) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November 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 available in the “Medicare & You” handbook. If you are enrolled in Medicare you will receive 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 coverage:

- Visit [www.medicare.gov](http://www.medicare.gov) for personalized help.
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the “Medicare & You” handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

**Assistance for People with Limited Income**

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](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**For More Information about Your Current Prescription Drug Coverage**

**Contact: Meritain Health at 800-844-7979, or  
Express-Scripts at 800-451-6245.**

You will 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 there is a significant change in the prescription drug coverage offered by the Egyptian Trust. You may also request a copy of this notice from Meritain Health at any time.

**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 or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

Date:	November, 2011
Name of Plan:	Egyptian Area Schools Employee Medical Benefit Plan
Contact:	Meritain Health
Address:	13 Executive Drive, Suite 19 Fairview Heights, IL 62208
Phone Number:	800-844-7979