

**IMPORTANT NOTICE FROM THE HANFORD
EMPLOYEE WELFARE TRUST (HEWT)
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 Express Scripts, Inc., the prescription carrier for those covered individuals with UnitedHealthcare Medical Plans, or Kaiser Permanente with those covered individuals with Kaiser Permanente, and prescription drug coverage available for people with Medicare. 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. At the end of this notice there is information about where you can get help to make decisions about your prescription drug coverage.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

- 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 prescription 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. The HEWT has determined that the prescription drug coverage offered by both Express Scripts, Inc., and Kaiser Permanente 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 Creditable Coverage, you can keep this coverage 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 15 through December 7.

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 to join a Medicare drug plan.

What Happens to Your Current Coverage If You Decide to Join a Medicare Drug Plan?

If you do decide to join a Medicare drug plan, your current HEWT-sponsored drug coverage will be affected. The HEWT currently includes prescription drug coverage with the medical plans it offers to Medicare-eligible retirees and Long-Term Disability participants. If you choose to enroll in Medicare Part D, you will no longer be eligible for prescription drug coverage from HEWT.

If you do decide to join a Medicare drug plan and drop your HEWT-sponsored prescription drug coverage, be aware that you and your dependents will not be able to take this coverage back until the HEWT Open Enrollment Period in October of any year for coverage effective January 1st of the following year.

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 coverage with the HEWT, 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 one percent (1%) of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go 19 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 October to join.

For More Information about this Notice or Your Current Prescription Drug Coverage:

Contact Benefits Administration for further information on (509) 372-8284, or by email to: Benefits-HEWT@rl.gov (off-site), or ^Benefits-HEWT (on-site).

Note: You will receive this notice each year. You will also receive it before the next period you can join a Medicare drug plan, and if this coverage through the HEWT changes. You may also request a copy of this notice at any time.

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 and You*” handbook. You will get a copy of this handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- visit www.medicare.gov;
- call your State Health Insurance Assistance Program (see the inside back cover of your copy of the “*Medicare and 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**.

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, or call them at **1-800-772-1213**, or **(TTY: 1-800-325-0778)**.

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 are required to pay a higher premium (a penalty).

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