

## CREDITABLE DRUG COVERAGE NOTICE

**NOTE TO EMPLOYER:** Please complete the information below before distributing to individuals covered by your plan who are eligible for Medicare.

Date: 10-1-24  
Employer Name: St. Clair County  
Plan Name: Blue Cross / Blue Shield  
Contact: Jennifer Forman  
Address: 165 5th Ave. Ste 100 Asheville AL 35953  
Telephone Number: 205-594-2402

### Important Notice 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 your employer 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:

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. Your employer has determined that the prescription drug coverage offered by your employer 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 this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.**

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### 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<sup>th</sup> through December 7<sup>th</sup>.

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?**

If you decide to join a Medicare drug plan, your current employer group coverage **may be affected**. For example, you and your dependents **may not** be able to keep your current employer coverage if you join a Medicare drug plan.

If you decide to join a Medicare drug plan and drop your current employer group coverage, be aware that you and your dependents **may not** be able to get this coverage back.

**Please contact us at the address and/or telephone number at the top of this notice for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.**

## **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 your employer and do not 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 October to join.

## **For More Information About This Notice Or Your Current Prescription Drug Coverage...**

Contact our office at the address and/or telephone number at the top of this notice for further information. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through your employer changes. You also may 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 & 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 drug plans.

For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- 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.

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).

**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).**



BlueCross BlueShield  
of Alabama

September 18, 2024

Stanley Batemon  
St. Clair County Commission  
165 5th Ave Ste 100  
Ashville, AL 35953-3249



RECEIVED

SEP 23 2024

ST. CLAIR  
CO. COMMISSION

Group Number: 0082722

Dear Group Administrator:

As a service for our customers, Blue Cross and Blue Shield of Alabama performs the Medicare Part D creditability assessment of prescription drug plans we administer. This is important to members covered by your drug plan when they become eligible for Medicare Part D. If Medicare-eligible members are covered by a creditable employer-provided plan, they will not be subject to the 1% per month late enrollment premium penalty if they enroll in Medicare Part D after their initial eligibility date.

**Based on information available on September 1, 2024, your drug coverage for the group(s) listed above is creditable as compared to the 2025 standard Medicare Part D benefits.** Employers applying for the Retiree Drug Subsidy should contact an actuarial consulting firm to perform the net test and actuarial attestation of creditability.

The Centers for Medicare and Medicaid Services (CMS) regulations require that employer-sponsored drug plans disclose their creditability to participants annually prior to October 15, upon enrollment in their plans, when coverage under their plans change, and upon request. Information about disclosure requirements can be found on the CMS web page at <http://www.cms.hhs.gov/creditablecoverage>.

You may use the enclosed sample Creditable Drug Coverage Notice to complete and distribute to your Medicare-eligible members prior to October 15.

- These notices must also be given to members upon enrollment in your plan, when coverage under your plan changes, and upon request.
- You must submit an online disclosure form to CMS by completing the form found at <http://www.cms.hhs.gov/creditablecoverage> within 60 days after the beginning of the following plan year.

Your Marketing Account, Sales or Service Representative can help if you have questions about the drug plan creditability information provided above or need to make benefit changes that affect your drug plan's creditability.

Sincerely,

*Rebekah Elgin Council*

Rebekah Elgin Council  
Senior Vice President and Chief Marketing Officer

Enclosure

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PO Box 995

Birmingham, AL 35298-0001

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