

Important Notice from University of Pittsburgh 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 options under both the University of Pittsburgh and 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 the University of Pittsburgh's 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. The University of Pittsburgh has determined that the prescription drug coverage offered for the following plans provides active employees (by UPMC) and retirees (by UPMC and Highmark) as well as their eligible family members Creditable Coverage since they are expected to pay out as much as standard Medicare prescription drug 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.

Plans with Creditable Coverage offered to all Active Employees and Retirees under the age of 65:

- UPMC – Panther Gold with Advantage Network (HMO)
- UPMC – Panther Advocate (PPO/HIA)
- UPMC – Panther Plus (PPO)
- UPMC – Panther Basic (PPO/HDHP with HSA)

Plans with Creditable Coverage offered to Retirees over the age of 65:

- UPMC for Life – HMO
- UPMC for Life – PPO – Standard
- UPMC for Life – PPO – Basic
- UPMC National Complementary Plan with Prescription Drug Plan
- Highmark Freedom Blue – PPO – Standard
- Highmark Freedom Blue – PPO – Basic
- Highmark Signature 65 with Blue Rx

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?

If you decide to join a Medicare drug plan, your current University of Pittsburgh coverage will not be affected.

UPMC Plan for active employees and retirees under the age of 65:

University of Pittsburgh Active Employees and Retirees, under the age of 65	Retail and Independent Pharmacies: 30-Day Supply Available (Generic/Preferred Brand/Nonpreferred Brand/Specialty)	Mail order through Express Scripts, Falk Clinic Pharmacy and Student Health Pharmacy: 90-Day Supply Available (Generic/Preferred Brand/Nonpreferred Brand)
Applies to all Medical Plans	\$16/\$40/\$80/\$90	\$32/\$80/\$160

Retiree medical plans for retirees and their eligible spouses/domestic partners over the age of 65:

University of Pittsburgh Post-65 Retiree Medical Plan	Retail (Generic/Brand/Nonpreferred/Specialty)	Mail Order (90 Day Supply) (Generic/Brand/Nonpreferred/Specialty)
UPMC for Life HMO	\$10/\$35/\$70/25% Coinsurance	\$20/\$70/\$140/N/A
UPMC for Life PPO - Standard	\$10/\$35/\$70/25% Coinsurance	\$20/\$70/\$140/N/A
UPMC for Life PPO - Basic	\$10/\$35/\$70/25% Coinsurance	\$20/\$70/\$140/N/A
UPMC National Complementary Plan	\$10/\$30/\$60/25% Coinsurance	\$20/\$60/\$120/N/A
Highmark Freedom Blue - Standard	\$15/\$35/\$70/\$70	\$30/\$70/\$140/\$140
Highmark Freedom Blue - Basic	\$15/\$35/\$70/33% Coinsurance	\$30/\$70/\$140/33% Coinsurance
Highmark Signature 65	\$15/\$35/\$70/\$70	\$30/\$70/\$140/\$140

If you do decide to join a Medicare drug plan and drop your current University of Pittsburgh coverage, be aware that you and your dependents will be able to get this coverage back.

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 University of Pittsburgh 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 October to join.

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

Contact the person listed below for further information. **NOTE:** You will receive this notice each year and it will be sent prior to the next period that you are able to join a Medicare drug plan. You will also be notified if this coverage through the University of Pittsburgh changes. You 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
- 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 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).

Date:	September 19, 2016
Name of Entity/Sender:	University of Pittsburgh
Contact-Position/Office:	Lori Carnvale – Director of Benefits/Office of Human Resources
Address:	320 Craig Hall, 200 South Craig Street, Pittsburgh, PA 15260
Phone Number:	412-624-8160

CMS Form 10182-CC

Updated September 19, 2016

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0990. The time required to complete this information collection is estimated to average 8 hours per response initially, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.