

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 October 1, 2015
Employer Name St. Clair County Commission
Plan Name Blue Cross Blue Shield of Alabama
Contact Kellie Long - Sandra Wolfe
Address 165 5th Ave Suite 100 Ashville, AL 35953
Telephone 205-594-2100

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.

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 (SEP) to join a Medicare drug plan.



BlueCross BlueShield of Alabama

September 9, 2015

Ms. Kellie Long
Administrator
St. Clair County Commission
165 5th Ave Ste 100
Ashville AL 35953-3249



RECEIVED
SEP 14 2015
ST CLAIR
CO. COMMISSION

Group Number: 82722

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, 2015, your drug coverage for the group(s) listed above is creditable as compared to the 2016 standard Medicare Part D benefits. This creditability assessment represents the gross creditability test. 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 cms.hhs.gov/creditablecoverage.

You may use the enclosed sample Credible 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 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
Vice President, Marketing

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Enclosure

