



EAST END HEALTH PLAN BULLETIN - RETIREE EDITION

September 2005 A Periodic Publication from the East End Health Plan

IMPORTANT INFORMATION ABOUT MEDICARE PART D AND YOUR PRESCRIPTION DRUG COVERAGE UNDER THE EAST END HEALTH PLAN

What Is Medicare Part D?

Effective January 1, 2006, the Centers for Medicare and Medicaid Services (CMS), a Federal Agency, will offer a new program called Medicare Part D. Medicare Part D will provide prescription drug benefits for those retirees who are enrolled in Medicare as well as others who are eligible for Medicare because of a disability. You may have already heard about this new program. Informational TV Ads are beginning to air and more information will be distributed by CMS in the coming months.

It is important to know that you will continue to have the same prescription drug benefits available to you under the East End Health Plan that you have always enjoyed. We believe that you will find that these benefits under the EEHP are better than the Medicare Part D Benefits. At the same time, if you are eligible for Medicare, you could enroll in the Medicare Part D Prescription Drug Plan this Fall. The East End Health Plan wants you to know what effects Medicare Part D will have on you and what your options are. This is the first in a number of informational mailings and meetings that we will hold to make sure you are well informed regarding this important subject.

What About Medicare Parts A & B?

Please be aware that Medicare Part D is separate from Medicare Parts A & B. Whether or not you choose to purchase Part D, it is extremely important that you enroll in both Parts A & B as soon as you are eligible. If you do not enroll in Parts A & B, the benefits that you receive under the EEHP will still be limited as though you were enrolled. So please, enroll in Parts A & B as soon as you are eligible.

Things To Consider:

Medicare Part D is completely voluntary, so you do not have to sign up if you do not want this coverage.

If you do sign up for Medicare Part D, you will have to pay monthly premiums for your coverage. CMS expects the 2006 Premiums to be about \$444 per year for the Standard Medicare Part D Plan.

Regardless of the coverage available under Medicare Part D, the East End Health Plan will continue to provide the same excellent prescription drug coverage to our retirees, dependents and disability beneficiaries, who are eligible for Medicare, as we have in the past. The benefits you receive under the East End Health Plan will not change because of Medicare Part D. However, if you enroll in Medicare Part D, it may have an effect on the benefits available to you under the East End Health Plan.



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Which Plan Will Be Best For Me?

Medicare Part D Regulations require the East End Health Plan and the School Districts to certify whether or not its retiree prescription drug benefits are “actuarially equivalent” to Medicare Part D. This means that the Plan will certify that the prescription drug benefits offered to you under the East End Health Plan are at least as good as (and most likely significantly better than), the benefits available to you under Medicare Part D.

The EEHP will be conducting this test and we anticipate that we will be reporting back to you later in the Fall of 2005 that your benefits under the East End Health Plan will be “actuarially” equivalent to Medicare Part D.

What You Need To Do:

For now you do not need to do anything. Even if you wanted to purchase a Medicare Part D Plan, they will not be available to purchase until mid-November 2005. Your current comprehensive prescription drug coverage through the East End Health Plan will stay in place and you will continue to have available to you the same benefits that you have always enjoyed through the East End Health Plan.

Early this Fall, you will receive a notice from the Plan and your School District advising you whether or not your East End Health Plan Prescription Coverage is at least as good as the Medicare Part D Plan.

If your East End Health Plan Coverage is as good as Medicare Part D, you should seriously consider whether you will want to pay the additional monthly expense for the Medicare Part D Premium because you will still have access to the same comprehensive coverage that is available to you under the East End Health Plan.

If your East End Health Plan is not as good as the Medicare Part D Plan, we will let you know at that point, and inform you as to what your options are.

As part of the Fall mailing, you will receive a Certificate of Credible Coverage. It is important that you keep this Certificate in order to avoid any late enrollment fees, should you decide to enroll in a Medicare Part D Plan at some point in the future.

The East End Health Plan will be sending you additional information regarding Medicare Part D and the Prescription Drug Benefits that continue to be available to you under the East End Health Plan. In the meantime, if you have any questions, please contact the EEHP via the website, or by calling the Plan at 631-687-3140.