

Name of Entity: State Group Health Insurance Program
State of Florida, Department of Management Services

Contact: People First Service Center (866) 663-4735

Special Notice about the Medicare Part D Drug Program

January 1, 2010

Please read this notice carefully. It explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll in Medicare Part D.

Medicare prescription drug coverage (Medicare Part D) became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drug coverage.

All approved Medicare prescription drug plans must offer a minimum Standard level of coverage set by Medicare. Some plans may offer more coverage than required. As such, premiums for Medicare Part D plans vary and all plans should be researched carefully.

The State of Florida Department of Management Services has determined that the prescription drug coverage offered by the State Employees' Health Insurance Program (State Health Program) is, on average, expected to pay out as much as the Standard Medicare prescription drug coverage will pay and is considered Creditable Coverage.

If you do decide to enroll in a Medicare prescription drug plan and drop your State Health Program coverage, be aware that you and your dependents will be dropping your hospital, medical and prescription drug coverage. If you choose to drop your State Health Program coverage, you will NOT be able to enroll back in the State Health Program unless a special Open Enrollment period for non-enrolled State of Florida retirees is mandated by the Florida Legislature.

If you enroll in a Medicare prescription drug plan and DO NOT drop your State Health Program coverage, you and your eligible dependents will still be eligible for health and prescription drug benefits through the State. However, if you are enrolled in a state-sponsored HMO, you may have to change to the State's PPO Plan to get all of your current health and prescription drug benefits.

If you drop or lose your coverage with the State Health Program and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more (a penalty) to enroll in Medicare prescription drug coverage later. Additionally, if you go 63 days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium will go up at least 1% per month for every month that you did not have that coverage, and you may have to wait until the following November to enroll.

For people with limited income and resources, payment assistance for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at www.socialsecurity.gov, or you may call them at (800) 772-1213 (TTY (800) 325-0778).

For more information about this notice or your current prescription drug coverage, call the People First Service Center at (866) 663-4735.

Keep this notice. If you enroll in one of the plans approved by Medicare that offers prescription drug coverage, you may need to give a copy of this notice when you join to avoid paying a higher premium amount (a penalty).