

# Northern California Soft Drink Industry and Teamsters Health & Welfare Trust

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4160 Dublin Blvd., Suite 400 ♦ Dublin, CA 94568  
Telephone (855) 690-7250 ♦ Fax (925) 833-7301

*October 2022*

## *Prescription Drug Coverage and Medicare*

### **NOTICE OF CREDITABLE COVERAGE**

Medicare Part D plans are available to every person who is eligible for Medicare. You are being sent this notice because if you are eligible for Medicare, you can enroll in a Medicare-approved Part D program from October 15<sup>th</sup> through December 7<sup>th</sup> of each year. If you decide not to enroll in a Part D program and then lose your Northern California Soft Drink Industry and Teamsters Health & Welfare Trust Fund prescription drug coverage through no fault of your own, you will then be eligible for a two-month special enrollment period to enroll in a Part D plan.

This notice is to inform you of your rights and that your current prescription drug benefit program through the Northern California Soft Drink Industry and Health & Welfare Trust Fund provides “creditable coverage,” as defined below. NOTE THAT (1) IF YOU ARE COVERED IN KAISER FOR MEDICAL BENEFITS AND ENROLL IN A MEDICARE PART D PROGRAM KAISER WILL TERMINATE YOUR COVERAGE AND YOUR HEALTH COVERAGE WILL DEFAULT TO THE PPO PLAN, AND YOU WILL NO LONGER HAVE PRESCRIPTION DRUG COVERAGE THROUGH THE FUND; AND (2) IF YOU ARE COVERED IN THE PPO PLAN AND ENROLL IN A MEDICARE PART D PROGRAM YOU WILL NO LONGER HAVE PRESCRIPTION DRUG COVERAGE THROUGH THE FUND. The following FAQ’s answer questions you may have regarding your current prescription drug program and how it relates to Medicare Part D coverage.

#### ***2023 CERTIFICATE OF CREDITABLE PRESCRIPTION DRUG COVERAGE***

The Northern California Soft Drink Industry and Teamsters Health & Welfare Trust Fund hereby certifies that the prescription drug coverage it provides to Medicare-eligible individuals is expected to pay out, on average for all such participants, at least as much as the standard Part D coverage would pay in calendar year 2023. It is therefore designated as providing 2023 “creditable coverage,” meaning that any participant who later enrolls in a Part D plan will not be charged a late enrollment penalty for 2023.

***This is your notice of creditable coverage.*** Be sure to read it carefully and keep it in a safe place where you can find it. If you lose this notice and need another copy, please call the Plan’s Administrator at (925) 833-7300, or request a copy in writing from Matt Clizbe, Health Services & Benefit Administrators, 4160 Dublin Boulevard, Suite 400, Dublin, California 94568-7756. Updated versions of this notice will be sent annually, and you will be informed if the Fund ever loses its creditable coverage status.

## FREQUENTLY ASKED QUESTIONS

**(1) *If I am covered as an active employee in the Northern California Soft Drink Industry and Teamsters Health & Welfare Trust Fund, do I need to do anything now?***

No, you don't need to do anything.

When you first become eligible for Medicare<sup>1</sup>, you will have the option to independently enroll in a Medicare Part D prescription drug plan. However, ***by independently enrolling in a Part D plan you will permanently lose your coverage under the Northern California Soft Drink Industry and Teamsters Health & Welfare Trust Fund and you will not be reimbursed for your Part D premiums.*** As mentioned above, the standard Part D benefit is not as good as the Plan's own prescription drug program (as described in your Plan booklet).

You should compare your current prescription drug program, including which drugs are covered, with the benefits and costs of the Medicare Part D plans available in your area. To view the official summary of approved Medicare Part D plans in any U.S. state, visit <https://www.medicare.gov/find-a-plan/questions/home.aspx>. Note that a Part D plan might not include your regular prescription drugs on its formulary. The Plan cannot provide you with a complete comparison of available Part D plans, but we urge you to carefully review any descriptions you may obtain.

**(2) *So why do I need to keep my notice of creditable coverage?***

In case you ever drop or lose your Plan coverage, or in the unlikely event that Plan coverage becomes "non-creditable," having this notice will allow you to immediately enroll in a Part D plan without having to pay a late enrollment penalty. Specifically, if you try to enroll after your initial eligibility period, you will be charged a permanent Part D premium surcharge of 1% for every month since your initial Medicare eligibility for which you cannot show that you had creditable coverage (if such non-creditable period exceeds 62 days). Also note that you may have to wait for the next regular annual Part D enrollment period, which will be October 15<sup>th</sup> through December 7<sup>th</sup> for coverage in the following calendar year.

**(3) *How can I get more information on Medicare Part D?***

More detail will be in the "Medicare & You" handbook that will be mailed to you by Medicare in October of each year. You may also be contacted directly by Medicare-approved Part D providers. At any time, you can visit <http://www.medicare.gov/> or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Every state has a Health Insurance Assistance Program to help Medicare beneficiaries and their families with their health insurance choices and with problems that might arise. In California it is called the "Health Insurance Counseling and Advocacy Program" (HICAP) and can be reached (by non-cell phones only) at 1-800-434-0222. Further assistance is available from the California

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<sup>1</sup> Your Medicare Initial Enrollment Period will be the month in which you become age 65, plus the preceding three months and the succeeding three months.

Senior Information line (also by non-cell phones only) at 1-800-510-2020. Contact information for similar programs in other states will be listed in your "Medicare & You" handbook.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. For more information about this extra help, visit the Social Security Administration website at <http://www.socialsecurity.gov/> or call them at 1-800-772-1213. TTY users should call 1-800-325-0778.

***Be sure to keep this notice. If you enroll in one of the plans approved by Medicare which offer prescription drug coverage, you may need to give a copy of this notice when you join to show that you are not required to pay a higher premium.***

***Date:*** October 1, 2022

***Plan Sponsor:*** Northern California Soft Drink Industry and Teamsters Health & Welfare Trust Fund

***Administrator:*** Matt Clizbe, Health Services & Benefit Administrators

***Address:*** 4160 Dublin Boulevard, Suite 400, Dublin, California 94568-7756

***Telephone:*** (925) 833-7300