



INTERMEDIATE SCHOOL DISTRICT #917
1300 145th Street East
Rosemount, Minnesota 55068

IMPORTANT NOTICE REGARDING COVERAGE FOR PRESCRIPTION DRUG COVERAGE AND MEDICARE

Please read this notice carefully and keep it where you can find it. This notice has information about prescription drug coverage with the district health insurance carrier -Blue Cross Blue Shield of Minnesota and the new prescription drug coverage available January 1, 2006 for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

1. Starting January 1, 2006, new Medicare prescription drug coverage will be available to everyone with Medicare.
2. In October 2005 Blue Cross Blue Shield of Minnesota reviewed Intermediate School District #917 sponsored prescription drug coverage currently in effect and determined that all four of our plans are creditable because the prescription drug coverage offered by Blue Cross Blue Shield of Minnesota is, on average, expected to pay out as much as the standard Medicare prescription drug coverage will pay.
3. Read this notice carefully – it explains your options under Medicare prescription drug coverage and can help you decide whether or not to enroll. Consult with your employer or health plan to determine whether you will still be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan.

Starting January 1, 2006, prescription drug coverage will be available to everyone with Medicare through Medicare Prescription drug plans. All Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium.

Because your existing creditable coverage is on average at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay extra if you later decide to enroll in Medicare coverage.

People with Medicare can enroll in a Medicare prescription drug plan from November 15, 2005 through May 15, 2006. However, because you have creditable existing prescription drug coverage that, on average, is as good as Medicare coverage, you can choose to join a Medicare prescription drug plan later. Each year after that, you will have the opportunity to enroll in a Medicare prescription drug plan between November 15th through December 31st.

If you decide to enroll in a Medicare prescription drug plan and drop your Blue Cross prescription drug coverage, be aware that you may not be able to get this coverage back.

If you drop your coverage with Blue Cross and enroll in a Medicare prescription drug coverage plan, you may not be able to get this coverage back later. You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

If you have retiree coverage from your former employer, consult with them before taking any action.

When Medicare Part D becomes available, you will have the right to enroll in a Part D prescription drug (PDP), a Medicare Supplement plan, a Medicare Cost plan, or a Medicare Advantage plan with prescription drug coverage (MA-PD). Your current coverage pays for other health expenses in addition to prescription drugs. **Consult with your employer or health plan to determine whether you will still be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan.**

To help you make the right decision, your former employer (or union) must tell you if they intend to continue to offer drug coverage in your retiree plan. Your decision should be based on your employer's plan, the employer's contribution, and your employer's future plans. Consult with your former employer before taking any action.

You should also know that if you drop or lose your coverage with Blue Cross and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more to enroll in Medicare prescription drug coverage later. If after May 16, 2006, 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 after May 15, 2006 that you did not have that coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what most other people pay. You will have this higher premium as long as you have Medicare coverage. In addition, you may have to wait until next November to enroll.

For more information about this notice or your current prescription drug coverage ...

Contact the telephone number on the back of your identification card for further information. NOTE: You may receive this notice at other times in the future, such as before the next period during which you can enroll in Medicare prescription drug coverage, and if this coverage changes. You also may request a copy.

For more information about your options under Medicare prescription drug coverage ...

More detailed information about Medicare plans that offer prescription drug coverage were available as of October 2005 in the "Medicare and You 2006" handbook. A copy of the handbook was mailed by Medicare. You may also be contacted directly by Medicare prescription drug plans. You can also get more information about Medicare prescription drug plans from these places:

- The customer service number on the back of your identification card
- Your employer or former employer
- Visit www.medicare.gov for personalized help
- Call your State Health Insurance Assistance Program (see your copy of the ‘Medicare and You’ handbook for their telephone number)
- Call 1-800-Medicare (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. Information about this extra help is available for the Social Security Administration (SSA). For more information about this extra help, visit SSA online at www.socialsecurity.gov or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this notice. If you enroll in one of the new plans approved by Medicare which offer prescription drug coverage after May 15, 2006, you may need to submit a copy of this notice when you join to show that you are not required to pay a higher premium amount.

If you have any questions, please call Nicolle Roush at (651) 423-8227 or Geri Claytor at (651) 423-8245.