

Important Notice from Cumberland Heights Foundation, Inc. About Your Prescription Drug Coverage and Medicare

This important notice is for ALL individuals who have prescription drug coverage under the Cumberland Heights Foundation, Inc. group health plan and are entitled to Medicare Part A or enrolled in Medicare Part B. This is a required annual notice that affects those employees or dependents that are eligible for Medicare coverage. **IF YOU ARE NOT ENTITLED TO MEDICARE PART A OR ENROLLED IN MEDICARE PART B, THE INFORMATION IN THIS NOTICE DOES NOT APPLY TO YOU.**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Cumberland Heights Foundation, Inc. and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

- 1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drug coverage. All Medicare prescription 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. Cumberland Heights Foundation, Inc. has determined that the prescription drug coverage offered by the group health plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay and is considered Creditable Coverage.**

Because your existing 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 prescription drug coverage.

Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from November 15th through December 31st. Beneficiaries leaving employer/union coverage may be eligible for a Special Enrollment Period to sign up for a Medicare prescription drug plan.

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 do decide to enroll in a Medicare prescription drug plan and drop your Cumberland Heights Foundation, Inc. prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back.

Please contact us for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.

Your current coverage pays for other health expenses in addition to prescription drugs. You will still be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare Part D prescription drug plan.

You should also know that if you drop or lose your coverage with Cumberland Heights Foundation, Inc. and do not enroll in Medicare prescription drug coverage within 63 continuous days after your current coverage ends, you may pay more (a penalty) to enroll in Medicare prescription drug coverage later.

If you go 63 continuous 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. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what many other people pay. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to enroll.

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

Contact Bette White in the Human Resources office at 615-432-3024 for further information. You will receive this notice annually and at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage through Cumberland Heights Foundation, Inc. changes. You also may request a copy. This notice is also posted on the Cumberland Heights intranet web site under Human Resources/Benefits.

For more information about your options under Medicare prescription drug coverage

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the Medicare & You handbook for their telephone number) for personalized help,
- 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 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 SSA 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, you may be required to provide a copy of this notice when you join to show that you are not required to pay a higher premium amount.

Date:	<u>1/1/2010</u>
Name of Entity/Sender:	Cumberland Heights Foundation, Inc.
Contact--Position/Office:	Bette White, Human Resources
Address:	8283 River Road Nashville, TN 37209
Phone Number:	615-432-3024