



IMPORTANT NOTICE FROM GRANITE SCHOOL DISTRICT ABOUT PRESCRIPTION DRUG COVERAGE AND MEDICARE

PLEASE READ THIS NOTICE CAREFULLY AND KEEP IT WHERE YOU CAN FIND IT

You may have heard about Medicare's new prescription drug coverage ("Part D") and wondered how it would affect you. Granite School District has determined that your prescription drug coverage with the District is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug program will pay.

This notice has information about your current prescription drug coverage with Granite School District and new prescription drug coverage available for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

- Starting January 1, 2006, new Medicare prescription drug coverage will be available to everyone with Medicare. 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.
- Granite School District has determined that the prescription drug coverage offered by Granite School District 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 to be Creditable Coverage.
- 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.

BECAUSE YOUR GRANITE SCHOOL DISTRICT 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 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 thereafter, each year from November 15th through December 31st. Individuals who leave employer/union coverage may be eligible for a Special Enrollment Period sign up for a Medicare prescription drug plan.

IF YOU DECIDE TO ENROLL IN MEDICARE PRESCRIPTION DRUG PLAN AND DROP YOUR GRANITE SCHOOL DISTRICT PRESCRIPTION DRUG COVERAGE, BE AWARE THAT YOU MAY NOT BE ABLE TO GET THIS COVERAGE BACK.

Your Granite School District coverage pays for other health expenses in addition to prescription drugs. If you remain eligible and covered by Granite School District, 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.

An explanation of Granite School District's current medical/prescription drug plan provisions can be found on the District's web site under Human Resources> Benefits and Insurance>Summary Plan Descriptions.

If you decide to enroll in a Medicare prescription drug plan and choose to drop your Granite School District prescription drug coverage, be aware that you may not be able to get this coverage back. You should carefully compare your District coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

You should know that if you drop or lose your Granite School District coverage and don't enroll in a Medicare prescription drug plan after your Granite School District coverage ends, you may pay more (a penalty) to enroll in Medicare prescription

(Continued on other side)

drug coverage later. If, after May 15, 2006 you go 63 days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly Medicare premium will go up at least one percent (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 many other people pay. You will have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until the following November to enroll.

**FOR MORE INFORMATION ABOUT THIS NOTICE OR YOUR CURRENT GRANITE SCHOOL DISTRICT
PRESCRIPTION DRUG COVERAGE:**

Contact our office for further information or call SelectHealth at 800-538-5038 or Regence BlueCross BlueShield of Utah at 800-624-6519.

NOTE: You may 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 changes. For your convenience, a copy of this notice posted on the Granite School District web site. You can also make a request for a copy of this notice.

**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. You can get more information about Medicare prescription drug plans from these places:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see your copy of the "Medicare & You" handbook for their telephone number) for personalized help.
- Call 1-800-MEDICARE (1-800-772-4227; TTY call 1-877-486-2048).

For people with limited income and resources, extra help paying for a Medicare prescription drug program is available. Information about this help is available from the Social Security Administration (SSA). For more information, visit SSA online at www.socialsecurity.gov or call 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 that offer prescription drug coverage after May 15, 2006, 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.

October 31, 2007
Granite School District
Human Resources – Insurance Office
2500 S. State Street, Salt Lake City, Utah, 84115