



North Carolina  
**State Health Plan**

for Teachers and State Employees

[www.shpnc.org](http://www.shpnc.org)

## Notice of Creditable Coverage

### Important Notice from the North Carolina State Health Plan for Teachers and State Employees (the State Health Plan) About Your Prescription Drug Coverage and Medicare

**If you qualify for Medicare, please read *and keep* this important notice.** Although the new Medicare prescription drug benefit went into effect on January 1, 2006, your State Health Plan sponsored health fund **will** continue to provide you and your covered dependents with prescription drug coverage. Keep this notice to prove that your State Health Plan sponsored health fund prescription drug plan is, on average, at least as good as the standard Medicare benefit.

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the State Health Plan and about new prescription drug coverage that became 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. As of January 1, 2006, new Medicare prescription drug coverage became available to everyone with Medicare.**
- 2. The State Health Plan has determined that the prescription drug coverage offered by the State 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.**
- 3. 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.**

As of January 1, 2006, prescription drug coverage was made 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 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.**

**People with Medicare can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from October 15 through December 7.**

You should also know that if you drop or lose your coverage with the State Health Plan 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 you go for a continuous period of 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. 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'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 October to enroll.

**For More Information About This Notice or Your Current Prescription Drug Coverage...** For further information, members may call **888-234-2416**. NOTE: You may receive this notice in the future, such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage changes. You may also 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 is available in the "*Medicare & You*" 2012 handbook. You may also be contacted directly by Medicare prescription drug plans. You can also get more information about Medicare prescription drug plans from the following sources:

- Visit **www.medicare.gov**
- Call your State Health Insurance Assistance Program (see your copy of the "*Medicare & You*" 2012 handbook for their telephone number) for personalized help.
- Call 800-MEDICARE (800-633-4227). TTY/TDD users should call 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 from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at **www.socialsecurity.gov**, or call 800-772-1213 (TTY/TDD: 800-325-0778).

**Remember: Keep this notice. If you enroll in one of the new plans approved by Medicare that 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 amount.**

Date: May 1, 2012  
Name of Sender: North Carolina State Health Plan for Teachers and State Employees  
Address: P.O. Box 30111, Durham, NC 27702-3111  
Phone: 888-234-2416