

Important Notice from Oakland County to Retirees About Your Prescription Drug Coverage and Medicare

November 15 2006

Please read this notice if you or your spouse currently have Medicare (Part A and/or Part B) or will become eligible for Medicare in the next 12 months.

**** IF YOU OR YOUR SPOUSE ARE NOT MEDICARE-ELIGIBLE AND WILL NOT BECOME MEDICARE-ELIGIBLE IN THE NEXT 12 MONTHS, YOU MAY DISREGARD THIS NOTICE.**

**** WE RECOMMEND THAT YOU DO NOT APPLY FOR ANY MEDICARE PART D PRESCRIPTION DRUG PLANS IF YOU HAVE MEDICAL COVERAGE THROUGH OAKLAND COUNTY, OR YOU MAY LOSE YOUR OAKLAND COUNTY PRESCRIPTION DRUG COVERAGE.**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Oakland County and 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.

1. Starting January 1, 2006, new Medicare prescription drug coverage has been available to everyone with Medicare.
2. Oakland County has determined that the prescription drug coverage offered by the Blue Cross/Blue Shield or Health Alliance Plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay.
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.

You may have heard about Medicare's prescription drug coverage, and wondered how it would affect you. Oakland County has determined that your prescription drug coverage with Blue Cross/Blue Shield or Health Alliance Plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay.

Starting January 1, 2006, prescription drug coverage has been 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 through Oakland County 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. However, because you have existing prescription drug coverage through Oakland County that, on average, is as good as Medicare coverage, you can choose to join a Medicare prescription drug plan later. Each year, you will have the opportunity to enroll in a Medicare prescription drug plan between November 15th and December 31st.

If you or your spouse do decide to enroll in a Medicare prescription drug plan and drop your Oakland County prescription drug coverage, be aware that you may not be able to get your Oakland County coverage back.

If you or your spouse drop your coverage with Oakland County and enroll in a Medicare prescription drug plan, you may not be able to get your Oakland County coverage back. 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.

Your Plan Through Oakland County Blue Cross/Blue Shield or Health Alliance Plan

Prescription Drug Type	Your Co-Payment
Generic	\$5
Brand Name	\$10
Non-Preferred Brand Name	\$25

In addition, your current medical coverage pays for other health expenses, in addition to prescription drugs, and you will not be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan and drop your Oakland County coverage.

You should also know that if you or your spouse drop or lose your coverage with Oakland County 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 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 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 Retirement Unit for further information at 248-858-7592, or Blue Cross at 1-800-245-8401 or Health Alliance Plan at 1-800-422-4641. NOTE: You may receive this notice at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, or if this coverage changes. You also may request 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 available in the "Medicare & You" handbook. You can get a copy of the handbook in the mail from 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:

- Visit www.medicare.gov for personalized help,
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & 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 from 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, you may need to provide a copy of this notice when you join to show that you are not required to pay a higher premium amount.

Date: November 14, 2006
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