

Answer ID

1874

Category

Medicare Prescription Drug Coverage
Affect on Current Drug Coverage
Basic Information
Costs and Coverage

Date Created

11/28/2006 04:31 PM

Last Updated

11/13/2007 11:07 AM

How will my employer retiree drug coverage work with my Medicare prescription drug coverage?**Question**

How will my employer retiree drug coverage work with my Medicare prescription drug coverage?

Answer

Your current or former employer or union should have provided information to you that lets you know how your current coverage compares to the standard Medicare drug coverage (a creditable coverage disclosure notice). This information is important because it can affect the decision you need to make about joining a Medicare drug plan. Do not make any decisions until you have reviewed this information. If you did not receive information from your employer or union, you should contact the employer/union or the benefits administrator for your current coverage.

Your current or former employer or union must send you this information:

1. before November 15th of each year.
2. before your Initial Enrollment Period for Medicare.
3. if you already have Medicare and you join an employer or union plan.
4. if your employer or union terminates (ends) the drug coverage they offer.
5. if your employer or union drug coverage changes so that it is no longer as good as, or becomes as good as, the standard Medicare prescription drug coverage.
6. whenever you request it.

Retiree Drug Subsidy

Medicare is offering help to employers and unions to encourage them to keep providing high quality prescription drug coverage. If your employer or union is claiming you for the retiree drug subsidy, you should first talk to your benefits administrator before making any changes to your current coverage. If you try to join a Medicare drug plan, your benefits administrator and/or the Medicare drug plan may contact you to confirm your choice.

You may not be able to have both Medicare drug coverage and employer/retiree drug coverage if your employer is claiming you for the retiree drug subsidy. Your employer is responsible for telling you how their coverage works with Medicare.

