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## I have prescription drug coverage from my former employer. Will I be able to keep it or will Medicare prescription drug coverage replace it?

### Question

I have prescription drug coverage from my former employer. Will I be able to keep it or will Medicare prescription drug coverage replace it?

### Answer

Joining a Medicare drug plan is your choice. You aren't required to join a Medicare plan, and you shouldn't join until you are sure how it would affect your retiree coverage. In some cases, if you join a Medicare drug plan, you could lose your retiree health coverage as well as your prescription drug coverage. On the other hand, in many cases your retiree plan will work with Medicare to provide your prescription drug coverage.

For example, an employer or union might want its retirees to join a Medicare drug plan, and then the employer or union will provide additional coverage to supplement the Medicare drug plan. (This is similar to the way that employers and unions often provide health coverage to supplement Medicare doctor and hospital benefits.) Some employers and unions will make special arrangements with a particular Medicare drug plan, while others will provide coverage that supplements any Medicare drug plan their retirees choose. The total amount of drug coverage from Medicare plus this employer or union supplement may be as good as or better than the drug coverage previously provided by the employer or union alone.

Your employer (or the plan that administers your retiree drug coverage) should provide information (a creditable coverage disclosure notice) to you about how your retiree health or drug coverage will be affected if you join a Medicare plan. This information will also tell you how your retiree drug coverage compares to the new Medicare prescription drug coverage.

If your retiree drug coverage will stay the same, and the coverage is creditable coverage (it expects to pay, on average, at least as much as Medicare coverage), you can stay with your current coverage now, and you won't have to pay a penalty if you later decide to switch to Medicare drug coverage. However, if you qualify for extra help to pay for Medicare drug coverage, it is possible that you could get better coverage if you join a Medicare drug plan.

Read the information from your retiree plan carefully. It will help you understand your options. It should also tell you how to contact the plan if you have questions. If there is no information on whom to contact, contact your benefits administrator or the office that answers questions about your coverage.