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2025 NYPA Creditable Coverage Notice (Employees, Retirees, and Surviving Dependents)

Important Notice from New York Power Authority About Your Prescription Drug Coverage and Medicare

New York Power Authority is sending you this notice because you have a medical plan that includes benefits for prescription drugs.

If you qualify for Medicare, please read this notice carefully and keep it where you can find it. This notice has information about prescription drug coverage with New York Power Authority and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

If you are not Medicare eligible, and none of your covered family members are Medicare eligible, no action is required on your part.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare 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.
2. New York Power Authority has determined that the prescription drug coverage offered by the "NYPA Plan*" is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

*New York Power Authority provides prescription drug coverage to you and your covered dependents. The prescription drug coverage you have through either the NYPA Plan, PPO Plan, Choice Plan, a NYPA-provided HMO, or a NYPA provided Medicare Advantage Plan will be referred to as the "NYPA Plan" in this notice.

*To remain in the NYPA Plan drug plan, **you do not have to do anything.**
Just continue using your NYPA Plan prescription drug benefits.*

When Can You Join a Medicare Drug Plan?

You can join a Medicare Drug Plan when you first become eligible for Medicare and during Medicare's open enrollment period each year. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens to Your Current Coverage if You Decide to Join a Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current New York Power Authority coverage will be affected.

The **NYPA Plan** prescription drug benefits, in most cases, gives you better coverage and lower out-of-pocket costs than the coverage offered under a Medicare prescription drug plan. Therefore, it is not necessary for you to enroll in a Medicare prescription drug plan. If you do join a Medicare prescription drug plan, there will be

changes in your NYPA Plan prescription drug coverage and the way you receive prescription drug benefits. This section lists key points about Medicare prescription drug coverage and your NYPA Plan benefits. Please read all this information carefully.

- The NYPA Plan does not require that you join a Medicare prescription drug plan.
- Most NYPA Plan enrollees and covered dependents should **NOT** join a Medicare prescription drug plan for 2025.
- As a NYPA Plan enrollee or covered dependent eligible for Medicare, you should consider joining a Medicare prescription drug plan **ONLY** if you are eligible for extra help provided by the Medicare Part D Low Income Subsidy.
- As a NYPA Plan enrollee or covered dependent eligible for Medicare in 2025 you will continue to receive the full prescription drug benefits available to you under the NYPA Plan if you do not enroll in a Medicare prescription drug plan.
- If you choose to join a Medicare drug plan, the Medicare prescription drug plan will pay for your prescription drugs.
- If you choose to join a Medicare prescription drug plan, NYPA will NOT reimburse you for the monthly premium for Medicare Part D prescription drug coverage.

If you do decide to join a Medicare prescription drug plan and drop your New York Power Authority prescription drug coverage, be aware that you and your dependents will not be able to get this coverage back until the next open enrollment period.

When Will You Pay a Higher Premium (Penalty) to Join a Medicare Drug Plan?

You should know that if you drop or lose your current coverage with New York Power Authority and do not join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium will go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice or Your current Prescription Drug Coverage

For information about your NYPA Plan prescription drug coverage, refer to the information in your open enrollment package or call HR Services at **1-914-287-3114**. **NOTE:** You will receive this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through New York Power Authority changes. You also may request a copy of this notice at any time.

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help.
- Call **1-800-MEDICARE (1-800-633-4227)**. TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security online at www.socialsecurity.gov or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage Notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date: 09/23/2024
Contact: New York Power Authority / HR Services
Address: 123 Main Street, White Plains, NY 10601
Phone Number: 914-287-3114