

City of Baltimore  
**Sunset of the Medicare Part D Prescription plan in 2020**  
RETIREE Questions & Answers

Effective January 1, 2020, there will be major plan changes for all retirees and their dependents, with or without Medicare. In preparation for these changes, flyers, notices and other communications will be shared; and information sessions will be planned in anticipation of and in preparation for the 2019 open enrollment period. By understanding the changes, your options, and the impact these changes will have on your medical plan, you will be able to make informed decisions regarding your family's health care needs.

### **General Questions & Answers**

#### **1. What is the Medicare Sunset?**

The Medicare Sunset is the closing of the City of Baltimore's prescription drug coverage for all Medicare eligible retirees and their dependents that are currently enrolled; and, for all future retirees and dependents as they become eligible for Medicare.

#### **2. When is the Medicare Sunset?**

The Sunset is targeted for January 1, 2020

#### **3. When will the Sunset happen?**

The transition of the Sunset will begin during the 2019 Open Enrollment period and the 2019 Medicare Annual enrollment period, both traditionally held in the month of October each year.

#### **4. How will this affect retirees?**

- **Retirees with Medicare:** Beginning October 2019, all Medicare retirees must transition to a Medicare Part D prescription drug plan of their choice offered in the Medicare Market. To find out more information about plans available in your area, retirees should begin contacting Medicare in early 2019, by visiting [www.medicare.gov](http://www.medicare.gov) or by calling 1.800.MEDICARE (1.800.633.4227). TTY users should call 1.877.486.2048. These numbers are staffed 24 hours a day, 7 days a week.
- **Retirees without Medicare:** Effective January 2020, as retirees become eligible for Medicare, they must transition off the City's Commercial prescription drug plan, into a Medicare Part D plan of their choice. Retirees may remain covered under the City's prescription drug plan until their Medicare eligibility begins.

#### **5. What will happen to my medical coverage?**

At this time, the City is not planning any changes to the medical coverage offered to its retiree population. Retirees may choose to remain enrolled in the current medical plans offered by the City. Retirees may also choose to leave the City's coverage and seek Medical coverage in the Medicare Medical market by enrolling in a Medicare Advantage plan of their choice. To find out more information about plans available in your area, retirees should contact Medicare by visiting [www.medicare.gov](http://www.medicare.gov) or call 1.800.MEDICARE (1.800.633.4227). TTY users should call 1.877.486.2048. These numbers are staffed 24 hours a day, 7 days a week.

### 6. Will my dependents still remain covered by the City after the Medicare Sunset begins?

No, in 2020 once a retiree's Medicare prescription coverage has ended, any dependent that is also covered under the prescription drug benefits will also lose coverage.

### 7. What are the options for my dependents that will lose coverage?

- *Dependents with Medicare*: All dependents with Medicare must transition to a Medicare Part D prescription drug plan of their choice offered in the Medicare Market. To find out more information about plans available in your area, retirees should contact Medicare by visiting [www.medicare.gov](http://www.medicare.gov) or call 1.800.MEDICARE (1.800.633.4227). TTY users should call 1.877.486.2048, 24 hours a day, 7 days a week.
- *Dependents without Medicare*: Any dependent that is not Medicare eligible will not have the option of moving to a Medicare Part D prescription plan. Currently there are no standalone prescription drug plans offered in the individual Market place so dependents must find a Medical plan that offers prescription drug coverage.

### 8. Why are these changes being made?

The Affordable Care Act (ACA) mandates that over the next seven years the plan design of the Standard Medicare Part D plan will gradually be changed. By 2020, the gap in coverage will be eliminated, making Standard Medicare Part D plan coverage comparable with your current Medicare Part D plan offered through the City.

### 9. What happens if I don't do anything during the 2019 Open Enrollment period?

- *Retirees and dependents without Medicare*: If you do not make any changes during Open Enrollment, you will remain in your current coverage at the 2020 plan year's cost until you become Medicare eligible.
- *Retirees and dependents with Medicare*: If you do not enroll in a new Medicare Part D Prescription drug plan offered on the Medicare Market during the 2019 enrollment period, **you will not have prescription drug coverage** as of January 1, 2020. **Retiree's must enroll no later than February 28, 2020 or they will be without prescription coverage for the full year of 2020.** The next Medicare Enrollment period will be held in October 2020, for a January 2021 effective date. Please be advised if you are without creditable prescription drug coverage for more than 63 days, Medicare will impose a lifetime penalty to your Medicare prescription drug premiums.

### 10. What is Creditable Coverage?

A prescription drug plan is considered to be Creditable Coverage if its actuarial value equals or exceeds the actuarial value of standard prescription drug coverage under the Medicare prescription drug benefit. The City's current Medicare Part D plan is considered to be Creditable Coverage because it is as good as or better than the standard Medicare Part D plan offered in the Medicare market.

### 11. What is my penalty?

If you are currently enrolled in the City Medicare part D plan, you are enrolled in credible coverage. As long as you enroll in creditable prescription drug coverage through Medicare or elsewhere within 63 days, from the date you lose coverage, there will not be a penalty.

To avoid a late enrollment penalty (LEP) you must join a Medicare drug plan when you first became eligible. The LEP is applied when a retiree fails to maintain continuous enrollment for a period of 63 days or more. For these members, once you elect a new plan, the LEP is added to that plan's monthly premium. Your premium amount will be the monthly plan premium, plus the amount of your LEP for as long as you have Medicare.

### **12. If I miss the 2019 Open Enrollment Period, when can I make changes to my health benefits?**

- **Retirees and dependents with Medicare:** If you have Medicare and you do not enroll in a new Medicare Part D Prescription drug plan during the 2019 Medicare Annual Enrollment period, you will be without prescription drug coverage effective January 1, 2020. You must contact Medicare and they will let you know your options for enrollment into a Prescription drug plan.
- **Retirees and dependents without Medicare:** If you miss this Open Enrollment period, you may not make any changes until the next Open Enrollment period (fall of 2020) unless you have a qualifying life event, such as marriage, divorce, birth of a child, death of a covered dependent, or a change in employment status. Your current benefit elections will remain in place for all of 2020 **unless you become eligible for Medicare.**

### **13. Can I elect medical with the City of Baltimore without prescription coverage?**

Yes, you may elect medical only, but you may not elect prescription drug only. If you are Medicare age and do not enroll in creditable prescription drug coverage through Medicare or elsewhere within 63 days, from the date you lose coverage, **you will be assessed a lifetime penalty.**

### **14. What will be my cost for a Medicare Prescription Plan in the Medicare Market?**

The cost of Medicare Plans offered in the Medicare market will vary based on the plan design that you select.

### **15. Are there any provisions available for persons with limited financial resources?**

Yes, many retirees are eligible for "Extra Help" and don't even know it. Once you enroll in a Medicare Part D Plan some retirees may qualify for help paying for prescription drugs. People with limited incomes may qualify for Extra Help to pay for their prescription drug costs. If you qualify, Medicare could pay up to seventy-five (75) Percent or more of your drug costs, including monthly prescription drug premiums, annual deductibles and coinsurance.

To see if you qualify, call: 1.800.MEDICARE (1.800.633.4227). TTY users should call 1.877.486.2048, 24 hours a day, 7 days a week; The Social Security Office at 1.800.772.1213 between 7 a.m. and 7 p.m., Monday through Friday. TTY users should call 1.800.325.0778; or Your State Medicaid Office.

This document includes information about some of the benefit plans offered to City of Baltimore retirees. While every effort has been made to ensure the accuracy of this information, if there is a discrepancy between this and the official documents or contracts, the official documents and contracts will always govern. Also, you should not rely on any oral description of these plans, because the written terms in the official plan documents and contracts always govern. The City of Baltimore reserves the right to change or end any of its plans, in whole or in part, at any time. Participation in any of the benefit plans should not be considered a contract of employment.