

CREDITABLE COVERAGE AND OTHER LEGAL NOTICES

The University of Idaho is required by federal law to provide benefit plan participants with certain legal notices each year. This document fulfills that obligation and does not require you to act, unless you wish to exercise one or more of the rights explained in this document.

Please read this notice carefully and keep it where you can find it. If you have any questions regarding these legal notices, please contact the University of Idaho Benefits Center.

Important notice from the University of Idaho about your prescription drug coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the University of Idaho 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. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice. You are responsible for distributing a copy of this disclosure to Medicare-eligible family members.

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. The University of Idaho has determined that the prescription drug coverage offered by the Active and Retiree Medical Plans 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 (penalty) if you later decide to join a Medicare drug plan.

When can you join a Medicare drug plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

When will you pay a higher premium (penalty) to join a Medicare drug plan?

You should also know that if you drop or lose your current coverage with the University of Idaho and don't 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 may 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 with the University of Idaho, please contact:

University of Idaho
Benefit Services
875 Perimeter Drive, MS 4332
Moscow, ID 83844
1-800-646-6174 or 1-208-885-3697

NOTE: You'll get 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 the University changes. You also may request a copy of this notice at any time.

For more information about your options under Medicare prescription drug coverage:

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- 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 on the web 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: October 1, 2014
Name of Entity/Sender: University of Idaho
Contact — Position/Office: University of Idaho Benefits Services
Address: 875 Perimeter Drive, MS 4332, Moscow, Idaho 83844
Phone Number: **1-800-646-6174 or 1-208-885-3697**

HIPAA Special Enrollment Rights

If you decline enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in a University of Idaho medical plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents' other coverage). You must request enrollment within 30 days after your or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage).

The plan will also allow a special enrollment opportunity if you or your eligible dependents either:

- Lose Medicaid or Children's Health Insurance Program (CHIP) coverage because you are no longer eligible, or
- Become eligible for a state's premium assistance program under Medicaid or CHIP.

For these enrollment opportunities, you will have 60 days—instead of 30—from the date of the Medicaid/CHIP eligibility change to request enrollment in the plan. Note that this new 60-day extension doesn't apply to enrollment opportunities other than the Medicaid/CHIP eligibility change.

Also, if you have a new dependent as a result of marriage, birth, adoption or placement for adoption, you may be able to enroll yourself, your spouse and/or your new dependent the University of Idaho plan. You must request enrollment within 30 days after the marriage, birth, adoption or placement for adoption. To request special enrollment or to learn more, contact the University of Idaho Benefits Center at **1-208-885-3697** or **1-800-646-6174**.

Women's Health and Cancer Rights Act of 1998 Notice

As specified in the Women's Health and Cancer Rights Act of 1998, each medical plan sponsored by the University of Idaho provides coverage for the following breast reconstruction procedures in connection with mastectomies:

- Reconstruction of the breast that was operated on;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prostheses and treatment of physical complications at all stages of the mastectomy, including lymphedemas.

Of course, coverage is provided in a manner determined in consultation with the attending physician and the patient. The deductible and the copayment requirements that apply to other covered services also apply to these post-mastectomy reconstructive and treatment services.

HIPAA Notice of Privacy Practices

The University of Idaho and our business partners are bound to follow a federal law that protects your medical information. The HIPAA Notice of Privacy Practices addresses how medical information about you may be used and disclosed and how you may access this information. You may request a copy of the notice at any time from the University of Idaho Benefits Department or find a copy online at *my Benefits*.

October 1, 2014