

## Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit [www.healthcare.gov](http://www.healthcare.gov).

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or [www.insurekidsnow.gov](http://www.insurekidsnow.gov) to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at [www.askebsa.dol.gov](http://www.askebsa.dol.gov) or call **1-866-444-EBSA (3272)**.

**If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of January 31, 2019. Contact your State for more information on eligibility –**

|   |   |
|---|---|
| <b>ALABAMA - Medicaid</b>   | <b>FLORIDA - Medicaid</b>   |
| Website: <a href="http://myalhipp.com/">http://myalhipp.com/</a><br>Phone: 1-855-692-5447   | Website: <a href="http://flmedicaidtplrecovery.com/hipp/">http://flmedicaidtplrecovery.com/hipp/</a><br>Phone: 1-877-357-3268   |
| <b>ALASKA - Medicaid</b>  | <b>GEORGIA - Medicaid</b>   |
| The AK Health Insurance Premium Payment Program<br>Website: <a href="http://myakhipp.com/">http://myakhipp.com/</a><br>Phone: 1-866-251-4861<br>Email: <a href="mailto:CustomerService@MyAKHIPP.com">CustomerService@MyAKHIPP.com</a><br>Medicaid Eligibility:<br><a href="http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx">http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx</a> | Website: Medicaid<br><a href="http://www.medicaid.georgia.gov">www.medicaid.georgia.gov</a><br>- Click on Health Insurance Premium Payment (HIPP)<br>Phone: 404-656-4507  |
| <b>ARKANSAS - Medicaid</b>  | <b>INDIANA - Medicaid</b>   |
| Website: <a href="http://myarhipp.com/">http://myarhipp.com/</a><br>Phone: 1-855-MyARHIPP (855-692-7447)  | Healthy Indiana Plan for low-income adults 19-64<br>Website: <a href="http://www.in.gov/fssa/hip/">http://www.in.gov/fssa/hip/</a><br>Phone: 1-877-438-4479<br>All other Medicaid<br>Website: <a href="http://www.indianamedicaid.com">http://www.indianamedicaid.com</a><br>Phone 1-800-403-0864 |
| <b>IOWA - Medicaid</b>  | <b>KANSAS - Medicaid</b>  |
| Website: <a href="http://dhs.iowa.gov/hawk-i">http://dhs.iowa.gov/hawk-i</a><br>Phone: 1-800-257-8563   | Website: <a href="http://www.kdheks.gov/hcf/">http://www.kdheks.gov/hcf/</a><br>Phone: 1-785-296-3512   |

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| <b>KENTUCKY - Medicaid</b>   | <b>NEW HAMPSHIRE - Medicaid</b>  |
| Website: <a href="https://chfs.ky.gov">https://chfs.ky.gov</a><br>Phone: 1-800-635-2570  | Website: <a href="https://www.dhhs.nh.gov/oii/hipp.htm">https://www.dhhs.nh.gov/oii/hipp.htm</a><br>Phone: 603-271-5218<br>Toll-Free: 1-800-852-3345, ext 5218   |
| <b>LOUISIANA - Medicaid</b>  | <b>NEW JERSEY - Medicaid and CHIP</b>  |
| Website:<br><a href="http://dhh.louisiana.gov/index.cfm/subhome/1/n/331">http://dhh.louisiana.gov/index.cfm/subhome/1/n/331</a><br>Phone: 1-888-695-2447   | Medicaid Website:<br><a href="http://www.state.nj.us/humanservices/dmahs/clients/medicaid/">http://www.state.nj.us/humanservices/dmahs/clients/medicaid/</a><br>Medicaid Phone: 609-631-2392<br>CHIP Website:<br><a href="http://www.njfamilycare.org/index.html">http://www.njfamilycare.org/index.html</a><br>CHIP Phone: 1-800-701-0710 |
| <b>MAINE - Medicaid</b>  | <b>NEW YORK - Medicaid</b>   |
| Website: <a href="http://www.maine.gov/dhhs/ofi/public-assistance/index.html">http://www.maine.gov/dhhs/ofi/public-assistance/index.html</a><br>Phone: 1-800-442-6003<br>TTY: Maine relay 711  | Website:<br><a href="https://www.health.ny.gov/health_care/medicaid/">https://www.health.ny.gov/health_care/medicaid/</a><br>Phone: 1-800-541-2831   |
| <b>MASSACHUSETTS - Medicaid and CHIP</b>   | <b>NORTH CAROLINA - Medicaid</b>   |
| Website:<br><a href="http://www.mass.gov/eohhs/gov/departments/masshealth/">http://www.mass.gov/eohhs/gov/departments/masshealth/</a><br>Phone: 1-800-862-4840   | Website: <a href="https://dma.ncdhhs.gov/">https://dma.ncdhhs.gov/</a><br>Phone: 919-855-4100  |
| <b>MINNESOTA - Medicaid</b>  | <b>NORTH DAKOTA - Medicaid</b>   |
| Website:<br><a href="https://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/other-insurance.jsp">https://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/other-insurance.jsp</a><br>Phone: 1-800-657-3739 or 651-431-2670 | Website:<br><a href="http://www.nd.gov/dhs/services/medicalserv/medicaid/">http://www.nd.gov/dhs/services/medicalserv/medicaid/</a><br>Phone: 1-844-854-4825   |
| <b>MISSOURI - Medicaid</b>   | <b>OKLAHOMA - Medicaid and CHIP</b>  |
| Website:<br><a href="http://www.dss.mo.gov/mhd/participants/pages/hipp.htm">http://www.dss.mo.gov/mhd/participants/pages/hipp.htm</a><br>Phone: 573-751-2005   | Website: <a href="http://www.insureoklahoma.org">http://www.insureoklahoma.org</a><br>Phone: 1-888-365-3742  |
| <b>MONTANA - Medicaid</b>  | <b>OREGON - Medicaid and CHIP</b>  |
| Website:<br><a href="http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP">http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP</a><br>Phone: 1-800-694-3084   | Website:<br><a href="http://healthcare.oregon.gov/Pages/index.aspx">http://healthcare.oregon.gov/Pages/index.aspx</a><br><a href="http://www.oregonhealthcare.gov/index-es.html">http://www.oregonhealthcare.gov/index-es.html</a><br>Phone: 1-800-699-9075  |
| <b>NEBRASKA - Medicaid</b>   | <b>PENNSYLVANIA - Medicaid</b>   |
| Website: <a href="http://www.ACCESSNebraska.ne.gov">http://www.ACCESSNebraska.ne.gov</a><br>Phone: (855) 632-7633<br>Lincoln: (402) 473-7000<br>Omaha: (402) 595-1178  | Website:<br><a href="http://www.dhs.pa.gov/provider/medicalassistance/healthinsurancepremiumpaymenthippprogram/index.htm">http://www.dhs.pa.gov/provider/medicalassistance/healthinsurancepremiumpaymenthippprogram/index.htm</a><br>Phone: 1-800-692-7462   |
| <b>NEVADA - Medicaid</b>   | <b>RHODE ISLAND - Medicaid</b>   |
| Medicaid Website: <a href="http://dhcfp.nv.gov">http://dhcfp.nv.gov</a><br>Medicaid Phone: 1-800-992-0900  | Website: <a href="http://www.eohhs.ri.gov/">http://www.eohhs.ri.gov/</a><br>Phone: 855-697-4347  |

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| <p align="center"><b>SOUTH CAROLINA - Medicaid</b></p> <p>Website: <a href="https://www.scdhhs.gov">https://www.scdhhs.gov</a><br/> Phone: 1-888-549-0820</p>  | <p align="center"><b>VIRGINIA - Medicaid and CHIP</b></p> <p>Medicaid Website:<br/> <a href="http://www.coverva.org/programs_premium_assistance.cfm">http://www.coverva.org/programs_premium_assistance.cfm</a><br/> Medicaid Phone: 1-800-432-5924<br/> CHIP Website:<br/> <a href="http://www.coverva.org/programs_premium_assistance.cfm">http://www.coverva.org/programs_premium_assistance.cfm</a><br/> CHIP Phone: 1-855-242-8282</p> |
| <p align="center"><b>SOUTH DAKOTA - Medicaid</b></p> <p>Website: <a href="http://dss.sd.gov">http://dss.sd.gov</a><br/> Phone: 1-888-828-0059</p>  | <p align="center"><b>WASHINGTON - Medicaid</b></p> <p>Website: <a href="http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program">http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program</a><br/> Phone: 1-800-562-3022 ext. 15473</p>  |
| <p align="center"><b>TEXAS - Medicaid</b></p> <p>Website: <a href="http://gethipptexas.com/">http://gethipptexas.com/</a><br/> Phone: 1-800-440-0493</p>   | <p align="center"><b>WEST VIRGINIA - Medicaid</b></p> <p>Website: <a href="http://mywvhipp.com/">http://mywvhipp.com/</a><br/> Toll-free phone: 1-855-MyWVHIPP (1-855-699-8447)</p>   |
| <p align="center"><b>UTAH - Medicaid and CHIP</b></p> <p>Medicaid Website: <a href="https://medicaid.utah.gov/">https://medicaid.utah.gov/</a><br/> CHIP Website: <a href="http://health.utah.gov/chip">http://health.utah.gov/chip</a><br/> Phone: 1-877-543-7669</p> | <p align="center"><b>WISCONSIN - Medicaid and CHIP</b></p> <p>Website:<br/> <a href="https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf">https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf</a><br/> Phone: 1-800-362-3002</p>  |
| <p align="center"><b>VERMONT - Medicaid</b></p> <p>Website: <a href="http://www.greenmountaincare.org/">http://www.greenmountaincare.org/</a><br/> Phone: 1-800-250-8427</p>   | <p align="center"><b>WYOMING - Medicaid</b></p> <p>Website: <a href="https://health.wyo.gov/healthcarefin/medicaid/">https://health.wyo.gov/healthcarefin/medicaid/</a><br/> Phone: 307-777-7531</p>  |

To see if any other states have added a premium assistance program since January 31, 2019, or for more information on special enrollment rights, contact either:

U.S. Department of Labor  
Employee Benefits Security Administration  
[www.dol.gov/agencies/ebsa](http://www.dol.gov/agencies/ebsa)  
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services  
Centers for Medicare & Medicaid Services  
[www.cms.hhs.gov](http://www.cms.hhs.gov)  
1-877-267-2323, Menu Option 4, Ext. 61565

### Paperwork Reduction Act Statement

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average approximately seven minutes per respondent. Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Employee Benefits Security Administration, Office of Policy and Research, Attention: PRA Clearance Officer, 200 Constitution Avenue, N.W., Room N-5718, Washington, DC 20210 or email [ebsa.opr@dol.gov](mailto:ebsa.opr@dol.gov) and reference the OMB Control Number 1210-0137.

OMB Control Number 1210-0137 (expires 12/31/2019)

### **Newborns Act Notice**

Group Health Plans and health insurance issuers generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

### **WHCRA Annual Notice**

Do you know that your plan, as required by the Women's Health and Cancer Rights Act of 1998, provides for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema? Call Wendy Ricciardi at 508-841-8359 for more information.

### **Notice of Patient Protections**

The Town of Shrewsbury's health plans generally require the designation of a primary care provider. You have the right to designate any primary care provider who participates in their networks and who is available to accept you or your family members. Until you make this designation, the health plan will designate one for you. For children, you may designate a pediatrician as the primary care provider.

You do not need prior authorization from your health plan or from any other person, including a primary care provider, in order to obtain access to obstetrical or gynecological care from a health care professional in their network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals.

For information on how to select a primary care provider, for a list of the participating primary care providers, for a list of participating health care professionals who specialize in obstetrics or gynecology contact:

| <b>Insurance Company</b>    | <b>Customer Service</b> | <b>Website</b>   |
|-----------------------------|-------------------------|--|
| Blue Cross/Blue Shield      | (800) 782-3675          | <a href="http://www.bluecrossma.com">www.bluecrossma.com</a>         |
| Harvard Pilgrim Health Care | (888) 333-4742          | <a href="http://www.harvardpilgrim.org">www.harvardpilgrim.org</a>   |
| Fallon                      | (800) 868-5200          | <a href="http://www.fchp.org">www.fchp.org</a>                       |
| Tufts                       | (800) 843-1008          | <a href="http://www.tuftshealthplan.com">www.tuftshealthplan.com</a> |

## **NOTICE OF PRIVACY PRACTICES**

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

The Town of Shrewsbury and its health plans ("the Health Plans") are providing this notice to you as required by the Health Insurance Portability and Accountability Act (HIPAA) and the regulations promulgated thereunder.

This Privacy Notice describes how the Health Plans may use and disclose your protected health information to carry out treatment, payment or health care operations and for other purposes that are permitted or required by law. It also describes your right to access and control your protected health information. "Protected health information" is information about you, including demographic information, that may identify you and that relates to your past, present or future physical or mental health or condition and related health care services.

### **Disclosures Under the Privacy Rule**

Under the HIPAA Privacy Rule we may and do use and disclose protected health information without your prior written authorization for certain purposes. For example, we use protected health information in providing your health coverage. We use that information for treatment (for example, to help your providers coordinate and manage your health care), for payment (for example, to provide payment to your health care providers for the health care they provide to you) and for health care operations (for example, to conduct quality assessment and improvement activities). All of the above disclosures are made only for the purposes described in this Notice or as permitted by law.

The Privacy Rule also permits disclosure of protected health information by a covered entity without the member's prior written authorization, and without providing the member the opportunity to agree or object, in the following situations:

- 1.) Where use or disclosure is required by law.
- 2.) To a public health authority that is authorized by law to collect or receive such information.
- 3.) To a governmental authority where there is a reasonable belief by the covered entity that the individual is a victim of abuse, neglect or domestic violence.
- 4.) To a health oversight agency for oversight activities authorized by law.
- 5.) In the course of certain judicial or administrative proceedings in response to a court order, subpoena, discovery request or other lawful process.
- 6.) To a law enforcement official for certain law enforcement purposes.
- 7.) To a coroner, medical examiner or funeral director for identification of a decedent and similar purposes.
- 8.) To organ procurement organizations or similar entities for the purpose of facilitating transplantations, etc.
- 9.) For medical research that has been approved by an institutional review board or similar medical panel.
- 10.) Where the covered entity in good faith believes the use or disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public or is necessary for law enforcement authorities to identify or apprehend an individual.
- 11.) For certain specialized government functions including: certain military and veterans activities, certain national security and intelligence activities, protective services for the President and other leaders; certain medical suitability determinations by the Department of State; and certain correctional and law enforcement custodial situations.
- 12.) As authorized by and to the extent necessary to comply with laws relating to workers' compensation or other similar programs.

The conditions pursuant to which disclosures may be made for the above-listed purposes are more fully described at 45 CFR 164.512.

A covered entity is prohibited from using or disclosing genetic information for underwriting purposes.

Uses and disclosures of protected health information other than those listed, above, may only be made with your written authorization. You may revoke any such authorization by executing a Revocation of Authorization form, a copy of which is available from the Town's Health Benefits Office.

### **Your Rights**

You have the right to inspect and copy your protected health information that is maintained in a designated record set by us. We will provide you with access to this information within thirty (30) days of receiving a written request for it. We will charge a reasonable fee for copying and mailing the records. Your rights with respect to the inspection and copying of records are more fully described at 45 CFR 164.524.

You have the right to request restrictions on certain uses and disclosures of protected health information (as provided at 45 CFR 164.522(a)) to carry out treatment, payment or health care operations. While we are not required to agree to a requested restriction, we will carefully consider any request.

You have the right to request that we allow you to receive communications of protected health information from us by alternative means or at alternative locations if you state that the disclosure of all or part of that information could endanger you. We will accommodate any such reasonable request.

You have the right, subject to certain limitations set forth at 45 CFR 164.526, to request that we amend protected health information, or a record that relates to you, in a designated record set for as long as that information is maintained in the designated record set. Your request to correct, amend, or delete information should be in writing. We will notify you if we make an adjustment as a result of your request. If we do not make an adjustment, we will send you a letter explaining why within 30 days. In the case of a denial, you may ask us to make your request part of your records, or you may file a statement of disagreement with us. You may also file a complaint with us or with the Secretary of Health and Human Services. If we make an amendment we will attempt to inform and provide the amendment within a reasonable time to anyone identified by you as possessing the subject protected health information as well as to persons who we know have the protected health information that has been amended.

You have the right to receive an accounting of the disclosures (if any) of your protected health information that we have made. This right to an accounting does not apply to uses or disclosures that were made in connection with treatment, payment or health care operations, nor does it apply to disclosures that you authorized or to other disclosures listed at 45 CFR 164.528(a). This right to disclosures is more fully described at Section 164.528.

You have the right to be notified when a breach of your unsecured protected health information has occurred.

You have the right to opt out of receiving any fundraising communications. Uses or disclosures of your protected health information for marketing purposes requires your prior written authorization. A disclosure that constitutes the sale of protected health information requires your prior written authorization.

You have the right to obtain upon request a paper copy of this notice from the Town's Health Benefits Office.

### **General**

The Health Plans are required by law to maintain the privacy of protected health information and to provide individuals with notice of the Health Plans' legal duties and privacy practices with respect to protected health information.

The Health Plans are required to abide by the terms of this notice. We reserve the right to change this notice. Any changes to this notice may be effective for all protected health information that the Health Plans maintain. A revised notice will be mailed to you within thirty (30) days of its effective date.

You may complain to us and to the Secretary of Health and Human Services if you believe your privacy rights have been violated. You may file a complaint with our Privacy Official, Laurie Gaudet, at 508-841-8509 or [lgaudet@shrewsburyma.gov](mailto:lgaudet@shrewsburyma.gov). Please be assured that you will not be retaliated against for filing a complaint. You may also contact our Privacy Official to receive further information concerning our privacy policies.

## HIPAA Special Enrollment Notice

If you are declining enrollment either for yourself or for 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 this plan if you or your dependents **lose eligibility** for that other coverage (or if the employer stops contributing toward your coverage or your dependents' coverage). However, you must request enrollment within **30 days** after the date your coverage, or your dependents' coverage, ends (or after the employer stops contributing toward the other coverage).\*

In addition, if you have a new dependent as a result of **marriage, birth, adoption, or placement for adoption**, you may be able to enroll yourself and your dependents. However, you must request enrollment within **30 days** after the marriage, birth, adoption, or placement for adoption.

Special enrollment rights also may exist in the following circumstances:

- If you or your dependents experience a loss of eligibility for Medicaid or a state Children's Health Insurance Program (CHIP) coverage and you request enrollment within **60 days** after that coverage ends; or
- If you or your dependents become eligible for a state premium assistance subsidy through Medicaid or a state CHIP with respect to coverage under this plan and you request enrollment within **60 days** after the determination of eligibility for such assistance.

**Note:** The 60-day period for requesting enrollment applies only in these last two listed circumstances relating to Medicaid and state CHIP. As described above, a 30-day period applies to most special enrollments.

To request special enrollment or obtain more information, contact Wendy Ricciardi, Benefit Administrator, at [wricciardi@shrewsburyma.gov](mailto:wricciardi@shrewsburyma.gov) or 508-841-8539.

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\*Documentation is required for each life event within 30 days of the life event.

## **Important Notice from Town of Shrewsbury 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 Town of Shrewsbury Group and about your options under Medicare's prescription drug coverage.**

**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 Town of Shrewsbury Group Health Plan has determined that the prescription drug coverage for all plans offered by Town of Shrewsbury are, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you do not need to join a Medicare drug plan. You can keep your prescription drug coverage with Town of Shrewsbury Group Health Plan and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.**

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### **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 15<sup>th</sup> through December 7<sup>th</sup>.

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 Town of Shrewsbury Group Health Plan 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 November to join.

### **For More Information About This Notice Or Your Current Prescription Drug Coverage...**

Contact the person listed below for further information. **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 Town of Shrewsbury Group Health Plan 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](http://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](http://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).**

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|---------------------------|---|
| Date:                     | 4/1/2019                                |
| Name of Entity/Sender:    | Town of Shrewsbury                      |
| Contact--Position/Office: | Wendy Ricciardi, Benefits Administrator |
| Address:                  | 100 Maple Ave, Shrewsbury, MA 01545     |
| Phone Number:             | 508-841-8359                            |

## IMPORTANT NOTICE OF COBRA CONTINUATION COVERAGE RIGHTS

### Introduction

You are receiving this notice because you have recently become covered under Town of Shrewsbury group health Plan. This notice has important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to get it.** When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

**You may have other options available to you when you lose group health coverage.** For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

### What is COBRA continuation coverage?

COBRA continuation coverage is a continuation of Plan coverage when it would otherwise end because of a life event. This is also called a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you're an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you're the spouse of an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your spouse dies;
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the Plan as a "dependent child."

Sometimes, filing a proceeding in bankruptcy under title 11 of the United States Code can be a qualifying event. If a proceeding in bankruptcy is filed with respect to the Town of Shrewsbury, and that bankruptcy results in the loss of coverage of any retired employee covered under the Plan, the retired employee will become a qualified beneficiary. The retired employee's spouse, surviving spouse, and dependent children will also become qualified beneficiaries if bankruptcy results in the loss of their coverage under the Plan.

### When is COBRA continuation coverage available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

- The end of employment or reduction of hours of employment;

- Death of the employee;
- Commencement of a proceeding in bankruptcy with respect to the employer; or
- The employee's becoming entitled to Medicare benefits (under Part A, Part B, or both).

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the employee, or commencement of a proceeding in a bankruptcy with respect to the employer, or enrollment of the employee to Medicare (part A or B or both), the employer must notify the Plan Administrator of the qualifying event within 30 days of any of these events.

For all other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), **you must notify the Plan Administrator within 60 days after the qualifying event occurs.**

How is COBRA continuation coverage provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children. COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage. There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

Disability extension of 18-month period of COBRA continuation coverage

If you or anyone in your family covered under the Plan is determined by Social Security to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to get up to an additional 11 months of COBRA continuation coverage, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of COBRA continuation coverage. You must make sure that the Plan Administrator is notified of the Social Security Administration's determination within 60 days of the date of the determination and before the end of the 18-month period of COBRA continuation coverage. Notice must be sent to the Plan Administrator.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event during the 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if the Plan is properly notified about the second qualifying event. This extension may be available to the spouse and any dependent children getting COBRA continuation coverage if the employee or former employee dies; becomes entitled to Medicare benefits (under Part A, Part B, or both); gets divorced or legally separated; or if the dependent child stops being eligible under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred. Notice must be sent to the Plan Administrator.

Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at [www.healthcare.gov](http://www.healthcare.gov).

If you have questions

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit [www.dol.gov/ebsa](http://www.dol.gov/ebsa). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website. For more information about the Marketplace, visit [www.healthcare.gov](http://www.healthcare.gov).

Keep your Plan informed of address changes

To protect your family's rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

Plan contact information

Wendy Ricciardi is the Benefits Administrator for the Town of Shrewsbury, and is located at 100 Maple Ave, Shrewsbury, MA 01545, (508) 841-8359. Group Benefits Strategies is responsible for administering COBRA continuation coverage and is located at 15 Midstate Drive, Suite 110, Auburn, MA 01501, (800) 229-8008.

## Medicare Eligibility

On May 17, 2006, the Town Meeting adopted Chapter 32 B Section 18A of the Mass General Laws. As a result, all **retirees** and their spouses and dependents who are eligible for premium-free Medicare Part A are required to enroll in Medicare Part A and B, and to enroll in a Senior Plan (which supplements Medicare) that the Town of Shrewsbury offers in order to remain covered under one of the Town's group health plans.

Eligibility for Medicare is based on the employee/retiree's, their spouse's or ex-spouse's (living or deceased) quarters of coverage, or if the employee/retiree, their spouse or ex-spouse (living or deceased) worked long enough in a government job where Medicare taxes were paid. The Social Security Administration determines eligibility, and will help you through the process. If the Social Security Administration concludes that you are not eligible for premium-free Medicare Part A you must furnish the Letter of Determination to the Town stating that you are not eligible so you may remain on a Town Active employee health insurance plan at or after retirement.

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### Active Employees and Dependents

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If you are an **active employee** working beyond age 65 you must file an application with the Social Security Administration for premium-free Medicare Part A when you turn 65 even if you are not ready to retire or file for Social Security Retirement benefits, and also notify them that you plan to defer Medicare Part B enrollment. By deferring Medicare Part B you will be able to enroll at a later date with no penalties. Your spouse must follow the same procedure.

Three months prior to retirement, you and your spouse (if he/she is over age 65 or are enrolled in premium-free Medicare Part A due to disability) need to apply for Medicare Part B. Your retirement date is the date that you, your Medicare eligible spouse and/or disabled dependent child(ren) will use to when you apply. You will need to then provide the Town a copy of your Medicare A and B card(s), and enroll in a Senior plan. You do not need to sign up for the Part D (prescription drug) plan as our Senior plans include it as part of the monthly premiums. If your spouse is not Medicare eligible when you retire, he/she can remain on an Active plan until Medicare eligible. If you cover dependent children who are not Medicare eligible they can remain on an Active plan until they turn age 26.

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### Retirees, Retiree Spouses, and Surviving Spouses

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If you are a **retiree**, a **spouse of a retiree**, or a **surviving spouse**, you must enroll in Medicare Part A and B when first eligible for premium-free Medicare Part A (due to disability or at your 65<sup>th</sup> birthday).

You will need to then provide the Town a copy of your Medicare A and B card(s), and enroll in a Senior (Medicare Supplemental) plan. You do not need to sign up for the Part D (prescription drug) plan as our Senior plans include it as part of the monthly premiums. If you cover dependent children who are not Medicare eligible they can remain on an Active plan until they turn age 26.