

CREDITABLE COVERAGE DISCLOSURE NOTICE

Important Notice from the United Federation of Teachers Welfare Fund 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 United Federation of Teachers Welfare Fund (“Welfare Fund”) and about your options under Medicare’s prescription drug coverage, which became available January 1, 2006 for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

The Welfare Fund provides prescription drug coverage to members while in service and their eligible dependents. The following are important things you need to know about your current prescription drug coverage and Medicare’s prescription drug coverage:

1. Medicare prescription drug coverage became available effective January 1, 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. 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.
2. The Welfare Fund has determined that the prescription drug coverage it offers is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay and is considered Creditable Coverage. Because your existing Welfare Fund prescription drug coverage is Creditable Coverage, you can keep this coverage while in service and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.
3. Read this notice carefully - it explains the options you have under Medicare prescription drug coverage, and can help you decide whether or not you want to enroll.

Because your existing prescription drug coverage from the Welfare Fund is on average at least as good as standard Medicare prescription drug coverage, you can keep your Welfare Fund coverage while in service and not pay a higher premium (a penalty) if you later decide to enroll in Medicare coverage.



Local 2 American Federation of Teachers, NYSUT, AFL-CIO

