

Important Notice from San Joaquin County About Your Prescription Drug Coverage and Medicare

2025-2026 Plan Year

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 health plans offered by the County 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 eligible. 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.

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 (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. San Joaquin County has determined that the prescription drug coverage provided by the Premier Plan, Select Plan, Select Exclusive Plan, Kaiser Plan, and Sutter Health Plus Plan, on average for all plan participants, is expected to pay out as much or more than the 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.

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 through December 7. 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 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 and drop your County-sponsored health plan, be aware that you and your dependents will not be able to get this coverage back. You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare drug coverage in your area.

In addition to your prescription drug coverage, your current coverage pays for other health expenses, and you will still be eligible to receive all your current health and prescription drug benefits if you choose to enroll in a Medicare prescription 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 coverage with a County-sponsored health plan 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 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 next October to join.

For more information about this notice or your current prescription drug coverage, contact San Joaquin County's Human Resources Division at (209) 468-9987.

NOTE: You will receive this notice annually. You also may request a copy 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 may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit [medicare.gov](https://www.medicare.gov).
- Call your State Health Insurance Assistance Program.
- Within California, call 1-800-434-0222.
- 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 [socialsecurity.gov](https://www.socialsecurity.gov), or call them at 1-800-772- 1213 (TTY 1-800-325-0778).

Date: July 1, 2025
Name of Entity/Sender: San Joaquin County
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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).