

SBC RETIREE's and MEDICARE PART D

CWA is fast attempting to get some education in terms of what our Retiree's should expect with the Medicare Part B/Prescription law going into effect the first of the year.

SBC Retiree's can expect to get three [3] pieces of information from them:

1. A postcard that says "Don't panic" your prescription coverage will continue.
2. Pro/Con Comparisons of general Part D benefits –vs- the SBC Prescription Plan.
3. An "Annual Credible Coverage Notice" basically saying that the SBC Plan is actuarially as good or better than what is offered under Part D.

We also learned:

1. It is NOT mandatory to sign up for Part D.
2. It is probably NOT going to be advantageous to sign up for Part D, unless the Retiree or surviving spouse is at or under the poverty level discussed in the law.
3. If a retiree or surviving spouse does want to sign up there is no 1% penalty to do so, however there is coordination of prescription benefits that is likely to be problematic.

The CWA Joint Benefit Committee will continue to gather as much information as is possible and send it along thru the Local Union's for their Retiree Clubs in an attempt to get and keep us all up to date on this new law

Each Retiree/Surviving Spouse will have to make their decision as to what is best and most advantageous for their own situation.

MEDICARE PART "D" Rx COVERAGE

GENERAL INFORMATION:

1. Starts January 1, 2006
2. Open to everyone on Medicare
3. Is NOT mandatory
4. Was intended to save you Rx drug costs [if it doesn't - don't sign up]
5. Each person has to make their own choices

ENROLLMENT

6. Enrollment: Nov 15, 2005 and May 15, 2005
7. You will have at least 2 drug plans to choose from in your area
8. The premium goes up for every month you do not join [after May 15, 2006]
9. If you ever lose your coverage you can sign up later without the higher premium
10. State of health/income/cost of drugs does not matter*

PLAN DETAILS

11. Average premium \$37/month
12. You must pay the first \$250 each year
13. Medicare then pays 75% of the costs up to \$2,250/year
14. You will pay all costs between \$2,250 and \$5,100/year
15. Medicare then pays 95% over \$5,100 until end of same year

[Actual plans and amounts may vary from area to area/plan to plan]

EXTRA HELP IS AVAILABLE IF*:

16. If your income is below \$14,355/single or \$19,245/couple AND your assets are under \$11,500/single or \$23,000/couple
17. You should get a letter from the Government if you qualify

MEDICAID or STATE PHARMACY RECIPIENTS: Have other plan details

CALL 1-800-MEDICARE or www.medicare.gov on the web