Oak Ridge Reservation Cleanup Contract Health and Welfare Benefit Plan and Oak Ridge Reservation Cleanup Contract Retiree Medical Benefit Plan

2027 Annual Benefits Enrollment

Important Notice to Participants 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 under the medical benefit options sponsored by the Oak Ridge Reservation Cleanup Contract Health and Welfare Benefit Plan and the Oak Ridge Reservation Cleanup Contract Retiree Medical Benefit Plan (the "Plans") 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 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 (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. United Cleanup Oak Ridge LLC (UCOR) has determined that the prescription drug coverage under the group medical benefit options offered by the Plans for all eligible active employees is, on average, 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 (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 Oct. 15 to Dec. 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 (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you are an active employee (or covered dependent of an active employee) who is entitled to Medicare:

- You should compare your current coverage under your Plan, including which drugs are covered, with the Medicare drug plans in your area.

- You may choose to enroll in a Medicare drug plan without impacting your prescription drug coverage under the Oak Ridge Reservation Cleanup Contract Health and Welfare Benefit Plan. Note, however, that Medicare drug plan will pay secondary (if at all) to the Plan. Therefore you may be paying a premium for coverage under the Medicare drug plan that you do not need.

- If you do decide to join a Medicare drug plan and drop the Plan prescription drug coverage that you may have, you and your dependents will be able to get the coverage back at a later date (such as by election during the next following annual enrollment) if you remain an active employee.

- Remember, also, that the Plan's prescription drug coverage is a part of the medical coverage under the Plan. If you drop prescription drug coverage under the Plan, you will also be dropping your medical coverage (and the medical and prescription drug coverage of your dependents, if any) under the Plan.

If you are a retiree (or covered dependent of a retiree) who is entitled to Medicare, your coverage under the Oak Ridge Reservation Cleanup Contract Retiree Medical Benefit Plan is intended to supplement your Medicare coverage. You should check to see whether your current Plan coverage already includes a Medicare drug plan. If your current Plan coverage does not include a Medicare drug plan, you can join a Medicare drug plan without impacting your current Plan coverage.

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 medical coverage with the Plans 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…

Contact UCOR-ORRCC Benefits Service Center at 1-800-451-8964 for further information. NOTE: You will receive this notice each year. You may also receive it before the next period you can join a Medicare drug plan, and if the coverage through the Plans changes. You also may request a copy of this notice at any time.

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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 http://www.medicare.gov/default.aspx
- 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 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).

For more information about this notice or your prescription drug coverage, contact:
UCOR-ORRCC Benefits Service Center
1-800-451-8964