



# CITY OF HOUSTON

Human Resources  
Department

**Bill White**

Mayor

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November 7, 2007

Dear City of Houston Retiree:

**RE: MEDICARE PART D – NOTICE OF LETTER OF CREDITABLE COVERAGE**

### ***Why am I getting this letter?***

Medicare requires that we send this very important letter to advise you that your existing prescription drug coverage is at least as good as Medicare Part D plan or better--- the city is providing you with "creditable prescription drug coverage." Retain this Letter of Creditable Coverage in a safe place. If someone else helps you with important benefits decisions, provide a copy to that person.

***Should I enroll in a Medicare Part D program if I am in the city's HMO, PPO, TexanPlus, Texas HealthSpring or Aetna Private Fee for Service Plan (PFFS)? Here are some facts you should consider in making that decision.***

1. The City's benefit plans (HMO, PPO and Medicare Advantage plans) all provide a drug benefit that is equal to or greater than the Part D benefit, on the average.
2. We strongly suggest you should not enroll in Medicare Part D if you intend to remain in one of these plans. You do not need to pay any extra Medicare premium to retain your current coverage.
3. Medicare will not allow you to enroll in a Part D plan and a Medicare Advantage plan at the same time. If you try to do this, Medicare will automatically drop your coverage in the Medicare Advantage plan. You may not be able to re-enroll in a city plan if that happens.
4. Enrolling in a Part D program while in the HMO or PPO may cause complications when you obtain your prescriptions.

### ***What is a Letter of Creditable Coverage?***

It is a letter from the city stating that Medicare has designed a way for you to avoid the penalty for late enrollment in a Medicare Part D program. If you decide to enroll in Medicare Part D after your initial enrollment period during which you were eligible to enroll, Medicare will not charge you a late enrollment premium—BECAUSE YOU HAVE THE ATTACHED Letter of Creditable Coverage, showing that you have had equivalent prescription drug coverage. If you provide a Letter of Creditable Coverage, you will not have to pay a late penalty if you ever decide to enroll in a Medicare Part D program.

Please read the attached notice about the Medicare Part D plan, and *retain these three pages in a safe place*. In December, for your convenience, you will be able to access this document online at [http://www.houstontx.gov/hr/benpages/ben\\_main.htm](http://www.houstontx.gov/hr/benpages/ben_main.htm).

Sincerely,

A handwritten signature in cursive script, appearing to read "Candy Clarke Aldridge".

Candy Clarke Aldridge  
Acting Human Resources Director