



TO: All Prescription Plan Participants

FROM: Kelly Burkholder, Employee Benefits Administrator

Re: Important Notice Regarding Your Prescription

DATE: **Drug Coverage** August 24, 2026

Dear Plan Participant:

Attached is the annual notice regarding your prescription drug coverage through Bethlehem Area School District and how this coverage relates to the prescription drug coverage offered through the Medicare program, also known as Medicare Part D.

If you or any of your dependents are eligible for Medicare (or are about to become eligible for Medicare), PLEASE read this letter and its attachment, as they contain vital information regarding your decision whether or not to enroll in a Medicare Part D plan. With the numerous Medicare Part D plans that are being marketed by insurance companies and other groups, it is critically important that you understand the coverage you currently have through Bethlehem Area School District and what that coverage means for your decision whether or not to enroll in a Medicare Part D plan.

As long as you are covered under the prescription drug plan provided by Bethlehem Area School District, which has been determined to be, on average, as good or better than the standard Medicare Part D benefit, you are not required to sign up for a Medicare Part D plan and you may remain covered under your current employer-provided coverage. You will not be penalized by Medicare in the future if/when your employer-provided coverage ceases and you then enroll in a Medicare Part D plan.

Bethlehem Area School District will continue to offer prescription drug coverage to you. The intent of the attached notice is to provide documentation for Medicare eligible individuals that the coverage that they are provided is, on average for all plan participants, at least as good as the standard Medicare Part D benefit.

Important Notice from Bethlehem Area School District 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 Bethlehem Area School District and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

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 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. Bethlehem Area School District has determined that the prescription drug coverage offered by the Bethlehem Area School District is, on average for all plan participants, 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.**

Individuals can enroll in a Medicare drug plan when they first become eligible for Medicare and each year from October 15 through December 7. This may mean that you may have to wait to join a Medicare drug plan and that you may pay a higher premium (a penalty) if you join later. You may pay that higher premium (a penalty) as long as you have Medicare prescription drug coverage. However, if you lose creditable prescription drug coverage, through no fault of your own, you will be eligible for a sixty (60) day Special Enrollment Period (SEP) because you lost creditable coverage to join a Medicare drug plan. In addition, if you lose or decide to leave employer/union-sponsored coverage; you will be eligible to join a Part D plan at that time using an Employer Group Special Enrollment Period. 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.

Bethlehem Area School District will continue to offer prescription drug coverage to you. In addition, your current coverage pays for other health expenses, in addition to prescription drugs, and you will still be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan.

If you do decide to enroll in a Medicare drug plan and drop your current Bethlehem Area School District prescription drug coverage, be aware that you and your dependents may not be able to return to your Bethlehem Area School District coverage.

You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

You should also know that if you drop or lose your coverage with Bethlehem Area School District and don't enroll in a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join in a Medicare drug plan later.

If you go 63 continuous days or longer without a creditable prescription drug plan, 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 Bethlehem Area School District: Benefits Administration for further information at (610) 861-0500 Ex.: 60210. NOTE: You will receive this notice annually and at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage through Bethlehem Area School District changes. You also may request a copy.

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 www.medicare.gov
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & Your handbook for their telephone number) for personalized help,
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at 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).

Date:	08/24/2026
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