Important Notice from Neighborhood Health Plan of Rhode Island About Your Prescription Drug Coverage and Medicare

What Information Does this Notice Contain?

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Neighborhood Health Plan of Rhode Island (Neighborhood) and about your options under Medicare's prescription drug coverage, if you are eligible for Medicare. This information can help you decide whether or not you want to join a Medicare drug plan, if you are eligible for Medicare. 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, if you are eligible for Medicare. 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. Neighborhood has determined that the prescription drug coverage offered by the Neighborhood PLUS 2800/5600 HSA plan 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, if you are eligible for Medicare.

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 to December 7, if you are eligible for Medicare. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two month Special Enrollment Period to join a Medicare drug plan, if you are eligible for Medicare.

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

If you decide to join a Medicare drug plan, if you are eligible for Medicare, your current Neighborhood coverage will be affected. You can keep this coverage if you elect Part D. Your current coverage pays for other health expenses in addition to prescription drugs. If you enroll in a Medicare prescription drug plan, you and your eligible dependents will still be eligible to receive all of your current health and prescription drug benefits. If you drop your current prescription drug coverage, you may enroll back into the Neighborhood benefit plan during an open enrollment period under the Neighborhood benefit 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 current coverage with Neighborhood 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.

Where Can You Get More Information About This Notice Or Your Current Prescription Drug Coverage?

Contact Neighborhood Member Services using the contact information listed below for further information. **Note:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, if you are eligible for Medicare, and if this coverage through Neighborhood changes. You also may request a copy of this notice at any time.

Where Can You Get 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, if you are eligible for Medicare. You may also be contacted directly by Medicare drug plans, if you are eligible for Medicare.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- 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). TDD/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 www.socialsecurity.gov, or call them at 1-800-772-1213 (TDD/TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, if you are eligible for Medicare, 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:** August 31, 2026
- **Name of Entity/Sender:** Neighborhood Health Plan of Rhode Island
- **Contact—Position/Office:** Neighborhood Member Services
- **Address:** Neighborhood Health Plan of Rhode Island, 910 Douglas Pike, Smithfield RI 02917
- **Phone Number:** 1-855-321-9244