2025

Early Retirees Benefits Guide

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Medicare Part D Notice: If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a federal law gives you more choices about your prescription drug coverage. Please see page 22 for more details.

Benefits For Your Health & Value

Helping you and your families achieve and maintain good health is the reason the City of Vernon offers you this benefits program. We are providing you with this overview to help you understand the benefits that are available to you and how to best use them. Please review it carefully and make sure to ask about any important issues that are not addressed here. A list of plan contacts is provided in the back of this summary. While we've made every effort to make sure that this guide is comprehensive, it cannot provide a complete description of all benefit provisions. For more detailed information, please refer to your benefit summaries or summary plan descriptions (SPDs).

The benefits in this summary are effective:

January 1, 2025 - December 31, 2025

Benefit Information will be posted on the City's website:

www.cityofvernon.org

Medical – Blue Shield

Medical coverage provides you with benefits that help keep you healthy like preventive care screenings and access to urgent care. It also provides important financial protection if you have a serious medical condition.

The City of Vernon provides you with comprehensive coverage through Blue Shield of California. Here are the HMO plan options. You can also visit the City's Blue Shield microsite for more information: https://www.bscaplan.com/vuaxvc.

	Access+ HMO	Trio ACO HMO
	In-Network	**In-Network**
Annual Deductible	$0	$0
Annual Out-of-Pocket Max	$1,500 Individual $3,000 Family	$1,500 Individual $3,000 Family
Lifetime Max	Unlimited	Unlimited
Office Visit		
Primary Provider	$15 copay	$15 copay
Specialist	$15 copay (referred by PCP) $20 copay (self-referral)	$15 copay
Preventive Services	No charge	No charge
Telemedicine	Teladoc No Charge	Teladoc No Charge
Chiropractic Care **Acupuncture Care**	$10 copay $10 copay	$10 copay $10 copay
Lab and X-ray	**Advanced Imaging**: No Charge **Diagnostic**: No charge	**Advanced Imaging**: No Charge **Diagnostic**: No charge
Inpatient Hospitalization	No charge	No charge
Outpatient Surgery	No charge	No charge
Urgent Care	$15 copay	$15 copay
Emergency Room	$100 copay (copay waived if admitted)	$100 copay (copay waived if admitted)

Medical, continued

Here is an overview of our PPO plans offered through Blue Shield of California. Visit the City's Blue Shield microsite for more information: https://www.bscaplan.com/vuaxvc.

	Full PPO		Full PPO Savings	
	In-Network	**Out-Of-Network**	**In-Network**	**Out-Of-Network**
Annual Deductible	$250 Individual $750 Family	$250 Individual $750 Family	$2,800 Individual $3,300 Individual in Family $5,200 Family	$7,800 Individual $7,800 Individual in Family $15,600 Family
Annual Out-of-Pocket Max	$2,500 Individual $5,000 Family	$7,500 Individual $15,000 Family	$5,000 Individual $10,000 Family	$15,000 Individual $30,000 Family
Lifetime Max	Unlimited	Unlimited	Unlimited	Unlimited
Office Visit				
Primary Provider	$15 copay (deductible waived)	30% after deductible	0% after deductible	30% after deductible
Specialist	$15 copay (deductible waived)	30% after deductible	0% after deductible	30% after deductible
Telemedicine	Teladoc No charge	Not Covered	Teladoc $0 after deductible	Not Covered
Preventive Services	No charge	30% after deductible	No charge*	30% after deductible
Chiropractic Care **Acupuncture**	$15 copay limited 30 visits max per calendar year	30% after deductible (in-network limitations apply)	0% after deductible 30 visits max per calendar year	30% after deductible (in-network limitations apply)
Lab and X-ray	**Advanced Imaging**: 10% after deductible **Diagnostic**: 10% after deductible	**Advanced Imaging**: 30% after deductible **Diagnostic**: 30% after deductible	**Advanced Imaging**: 0% after deductible **Diagnostic**: 0% after deductible	**Advanced Imaging**: 30% after deductible **Diagnostic**: 30% after deductible
Inpatient Hospitalization	10% after deductible	30% after deductible	0% after deductible	30% after deductible
Outpatient Surgery	10% after deductible	30% after deductible	0% after deductible	30% after deductible
Urgent Care	$15 copay (deductible waived)	30% after deductible	0% after deductible	30% after deductible
Emergency Room	$100 copay then 10% after deductible (copay waived if admitted)		0% after deductible (copay waived if admitted)	

*PPO HDHP plan: HDHP preventive benefits now include glucose monitors and peak flow meters. These items will now be covered at no charge and are not subject to the deductible.

Prescription Drugs

Prescription drug coverage provides a benefit that is important to your overall health, whether you need a prescription for a short-term health issue like bronchitis or an ongoing condition like high blood pressure.

If you enroll in medical coverage, you will automatically receive coverage for prescription drugs. Here are the prescription drug plans that are offered with our Blue Shield of California HMO plans.

	Access+ HMO	Trio ACO HMO
	In-Network	In-Network
Prescription Drug Deductible	None	None
Pharmacy		
Tier 1	$15 copay	$15 copay
Tier 2	$25 copay	$25 copay
Tier 3	$45 copay	$45 copay
Tier 4	20% up to $250	20% up to $250
Supply Limit	30 days	30 days
Mail Order		
Tier 1	$30 copay	$30 copay
Tier 2	$50 copay	$50 copay
Tier 3	$90 copay	$90 copay
Tier 4	20% up to $500	20% up to $500
Supply Limit	90 days	90 days

*Note:
1) Retail Pharmacy Prescription Drugs: 90-day supply of prescription maintenance drugs may be obtained from a 90-day retail pharmacy at 3 times the 30-day retail cost share.

2) Copay Card Program: In an effort to accurately accumulate out of pocket costs, only the amount members pay for their prescriptions will be applied towards their deductible and out-of-pocket maximum when using a drug discount or copayment assistance from a drug manufacture or other third party at a Network Specialty Pharmacy. The portion of the member's copayment or coinsurance paid for by the manufacturer's assistance or other drug discount will not be applied towards the member's deductible or out-of-pocket maximum.

3) New for 2025 – Mail order service through Amazon Rx. Sign in or sign up. Please refer to page 8 of this booklet for more details.

Prescription Drugs, continued

Here are the prescription drug plans that are offered with our Blue Shield of California PPO plans.

	Full PPO		**Full PPO Savings**	
	In-Network	**Out-Of-Network**	**In-Network**	**Out-Of-Network**
Prescription Drug Deductible	None	None	None	None
Pharmacy				
Tier 1	$15 copay		$10 copay	
Tier 2	$25 copay		$40 copay	
Tier 3	$45 copay		$60 copay	
Tier 4	30% up to $250		30% up to $250	
Supply Limit	30 days		30 days	
Mail Order				
Tier 1	$30 copay		$20 copay	
Tier 2	$50 copay		$80 copay	
Tier 3	$90 copay		$120 copay	
Tier 4	30% up to $500		30% up to $500	
Supply Limit	90 days		90 days	

*Note:

1) Retail Pharmacy Prescription Drugs: 90-day supply of prescription maintenance drugs may be obtained from a 90-day retail pharmacy at 3 times the 30-day retail cost share.

2) Copay Card Program: In an effort to accurately accumulate out of pocket costs, only the amount members pay for their prescriptions will be applied towards their deductible and out-of-pocket maximum when using a drug discount or copayment assistance from a drug manufacture or other third party at a Network Specialty Pharmacy. The portion of the member's copayment or coinsurance paid for by the manufacturer's assistance or other drug discount will not be applied towards the member's deductible or out-of-pocket maximum.

Starting on 1/1/25: Your Blue Shield of California benefit plan will include Amazon Pharmacy for home delivery of your prescriptions. Sign up today so you are ready for this change.

amazon pharmacy

Let's keep a good thing going for 2025

Keep getting your prescription medications delivered to you. Amazon Pharmacy is here to help.

Low prices. Easy refills. And pharmacists available 24/7 to answer your questions.

Amazon Pharmacy offers Blue Shield of California members:

Easy online sign-up with the option of importing your medication history*

An Amazon shopping experience with free shipping

24/7/365 access to a pharmacist, or chat online with Customer Care

Clear pricing to help you save time and money

The ability to **manage your medication and order history**

You can sign up here:

amazon.com/blueshieldca

Choose "Get started." You'll need your Blue Shield member ID card to create your Amazon Pharmacy profile.

For new prescriptions you'd like filled by Amazon Pharmacy, let your doctor know to send them to Amazon Pharmacy by:

E-SCRIBE: Amazon.com – Amazon Pharmacy Home Delivery

FAX: 512-884-5981

MAIL: 4500 S Pleasant Valley Rd, Suite 201, Austin, TX 78744

PHONE: 855-206-3605, then press 1 (prescribers only)

**Amazon Pharmacy does not dispense Schedule II controlled substances.*

Blue Shield of California is an independent member of the Blue Shield Association. Amazon Pharmacy is independent of Blue Shield of California and is contracted by Blue Shield to provide home delivery of prescription medications to Blue Shield members. Members are responsible for their share of cost as stated in their benefit plan details. Information about specific prescription drug benefits and drug benefit exclusions can be found in the member's plan documents. Members may call the customer service number on their Blue Shield member ID card if they have questions about their Blue Shield prescription drug coverage.

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How to Find a Blue Shield Provider

Blue Shield believes that finding a doctor shouldn't give you a headache. That's why blueshieldca.com features our most up-to-date listings of doctors, specialists, pharmacies, and hospitals.

We're making it easier!
Finding the latest listing of doctors, specialists, mental health providers, hospitals, dentists, vision care providers, or pharmacies is easy. Go to blueshieldca.com and select Find a Doctor from the menu. Here are some helpful shortcuts:

1. How you start depends on the type of plan:

- For Access+HMO go to: https://www.blueshieldca.com/fad/home Under Select a plan, and Sub plan, choose, Access+HMO.
- For Trio HMO go to: https://www.blueshieldca.com/fad/home Under Select a plan, and Sub plan, choose, Trio HMO.
- For PPO and HDHP go to: https://www.blueshieldca.com/fad/home Under Select a plan, and Sub plan, choose, Blue Shield of California PPO Network.

2. Select the type of provider you need (e.g., doctor, facility, mental health).
3. Enter your preferred location.
4. Select whether you want to search by provider specialty or provider name.
5. Relevant results will be displayed.

If you are enrolling in an HMO plan

When you enroll in an HMO plan, you and your dependents must choose a primary care physician (PCP) within 15 miles or a 30-minute drive from where you live or work. You can either search for your PCP using Blue Shield of California's *Find a Doctor* tool found at **blueshieldca.com**, or call Member Services for assistance. If you do not select a PCP when you enroll, we will assign you one. You can then change your PCP at any time. PCPs provide routine checkups, immunizations, and urgent care and refer you to specialists.

If you are enrolling in a PPO plan

As a PPO plan member, you can choose your own doctor and do not need a referral to see a specialist. Choosing a provider in the PPO networks can save you money and ensure that you receive the highest level of benefits available to you.

When you visit doctors outside the PPO network, you may be responsible for higher copayments plus any charges in excess of Blue Shield's allowed amount for the services.

If you access care outside California

PPO members who access care outside California may do so through the BlueCard Program Network, which includes access to more than 95% of doctors and 96% of hospitals nationwide. Whenever possible, you should choose a doctor or hospital from the BlueCard network to save you money and ensure you receive the highest level of benefits available to you. When you visit doctors who are not in the BlueCard network, you may be responsible for higher copayments plus any charges in excess of Blue Shield's allowed amount for the services.

To find a BlueCard physician or hospital in the United States, go to **provider.bcbs.com** or call BlueCard Access toll-free at **(800) 810-BLUE (2583)**.

To find an international Blue Shield Global Core Network physician or hospital, go to **bcbsglobalcore.com**. You can also call the Blue Shield Global Core Service Center at **(800) 810-BLUE (2583)** from within the United States, or call collect at **(804) 673-1177** from outside the country.

Blue Shield Resources

Explore the following health resources to find the information you need and get answers to many health management questions. Get the support and peace of mind in managing your health. Visit https://www.bscaplan.com/vuaxvc. to find out more about these resources and all that Blue Shield has for their members!

Blue Shield Mobile App

Manage your health care anytime, anywhere from your phone, tablet, or computer with the Blue Shield Mobile App. With the app you can get 24/7 access to your Blue Shield health plans, find a doctor or urgent care center near you, view or print your member ID card, check claims, see your wellness benefits and more. Download the Blue Shield of California mobile app on the App Store or Google Play.

Blue Shield Concierge

The Blue Shield Concierge connects you to a dedicated representative who can answer your questions and connect you to a team of experienced health professionals when you need it. You can get assistance with your plan benefits and coverage, ID cards, provider network, claims, medications, language assistance, condition management programs and more. Call **(855) 599-2657** from 7 am to 7 pm PST., Monday through Friday.

NurseHelp 24/7

Have a medical concern and not sure what to do? Registered nurses are available 24 hours a day to answer any of your health questions, including concerns about: minor illnesses, chronic conditions, medical tests, medications, preventative care and more.
NurseHelp 24/7 is provided at **no additional cost** to you. Call **(877) 304-0504** or log in to **www.blueshieldca.com/nursehelp** to chat online.

LifeReferrals 24/7

Members can speak confidentially with a team of experienced professionals on a wide variety of topics including personal issues like relationship problems and grief, legal and financial questions, child and elder care issues or referrals, and more.
For more information call **(800) 985-2405** or visit **lifereferrals.com** and enter the access code: bsc.

Maven Prenatal Program

Expectant parents get virtual support for pregnancy, postpartum, and returning to work through a direct-to-consumer app. Find out more at **www.blueshieldca.com/maven**.

Health and Wellness Discounts

Get help saving money and living healthier with a wide range of discount programs including fitness club memberships with Tivity Health; acupuncture, chiropractic services and massage therapy; eye exams, frames and contact lenses; and LASIK surgery. To learn more visit **www.blueshieldca.com/wellnessdiscounts**.

Identity Theft Protection

Experian identity protection is also available for all eligible Blue Shield members—at **no extra charge**!

Dental - MetLife

Regular visits to your dentists can protect more than your smile; they can help protect your health. Recent studies have linked gum disease to damage elsewhere in the body and dentists are able to screen for oral symptoms of many other diseases including cancer, diabetes, and heart disease.

The City of Vernon gives you a choice between two dental plans with MetLife.

	MetLife DPPO Plan		MetLife DHMO Plan
	In-Network	Out-Of-Network	In-Network
Calendar Year Deductible	$50 Individual / $150 Family (Waived for preventative)		$0
Annual Plan Maximum	$2,000 per individual		Unlimited
Waiting Period	None	None	None
Diagnostic and Preventive	No charge (Deductible Waived)	No charge (Deductible Waived)	Plan pays 100% (varies by services; see contract for fee schedule)
Basic Services			
Fillings	10% after deductible	10% after deductible	Plan pays 100% (varies by services; see contract for fee schedule)
Root Canals	10% after deductible	10% after deductible	$0-$75 copay then plan pays 100% (varies by services; see contract for fee schedule)
Periodontics	10% after deductible	10% after deductible	$15-$160 copay then plan pays 100% (varies by services; see contract for fee schedule)
Major Services	50% after deductible	50% after deductible	$10-$225 copay then plan pays 100% (varies by services; see contract for fee schedule)
Orthodontic Services			
Orthodontia	50%	50%	$1,450 (see contract for limitations) copay then plan pays 100%
Lifetime Maximum	$2,000 per individual		Unlimited
Dependent Children	Covered up to age 19		Covered up to age 19
Adult	Not Covered		Member Covered

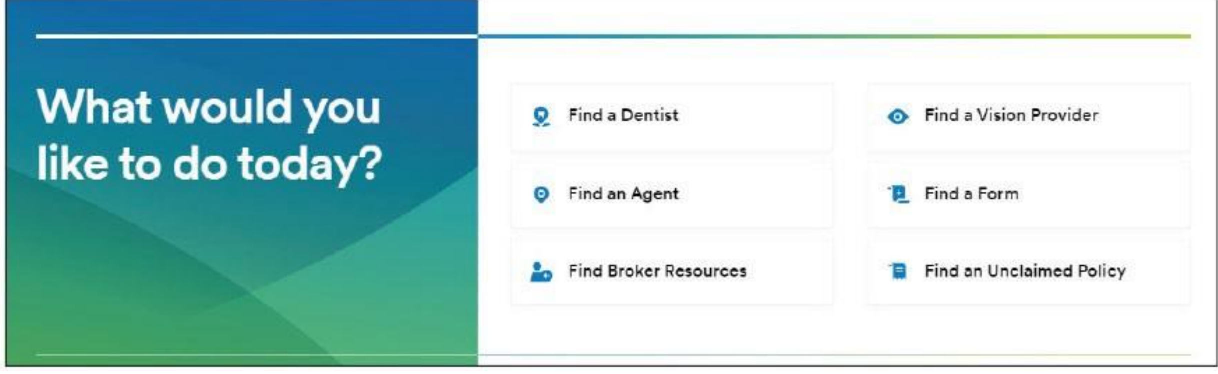
MetLife
How to Find a Dental Provider

Finding Dental PPO Providers

1) Log into www.metlife.com
2) Select “Find A Dentist”
3) Select “**PDP Plus**”
4) Enter your zip code and select “Find A Dentist”

Finding Dental HMO Providers

1) Log into www.metlife.com
2) Select “Find A Dentist”
3) Select “Dental HMO/Managed Care
4) Enter your zip code and select “Find A Dentist”
5) In the “Select your plan” from the drop down menu choose “**Met50**” and click on “Go” (see below).



Note: If you are enrolling in the DHMO you must elect a provider facility code in the enrollment form. You may change dentists at any time as long as you submit the new facility code by the 15th of the month, it will then be effective the 1st of the following month.

Alliant Medicare Solutions

A FREE RESOURCE FOR NAVIGATING THE MEDICARE MAZE

Medicare can look like a complicated maze of choices, between Medicare Parts A–D, Medicare Advantage plans, and Medicare Supplement (Medigap) policies. That's why we are introducing a resource to help you understand the different parts of Medicare, what is and isn't covered, how Medicare works with employer coverage, and how to choose the best coverage for your situation.

Alliant Medicare Solutions is a free resource for you, or any family members and friends who are nearing age 65. Alliant Medicare Solutions' Licensed Insurance Agents can help you navigate the Medicare maze to find a plan that is right for you.
Agents are contracted and certified in all 50 states to provide Medicare advice and an "A-rated" or better insurance carrier at competitive rates.

HOW DOES IT WORK?

1. Call Alliant Medicare Solutions at **(888) 835-2588** to speak to a Licensed Insurance Agent *(Alliant Medicare Solutions is managed by Insuractive).*

2. Discuss with Alliant Medicare Solutions:
   - Your current insurance coverage
   - Types of coverage including Original Medicare, Medigap, Medicare Advantage, and prescription drug plans
   - Which plans might work the best for you

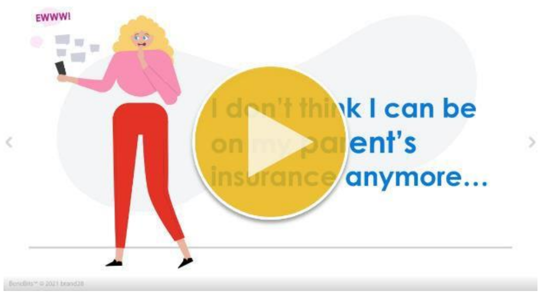
3. Alliant Medicare Solutions helps you enroll immediately or emails the policy materials for you to review and enroll at a later date.

For more information, download Your Guide to Medicare at
https://www.alliantmedicaresolutions.com/

Want To Know More?

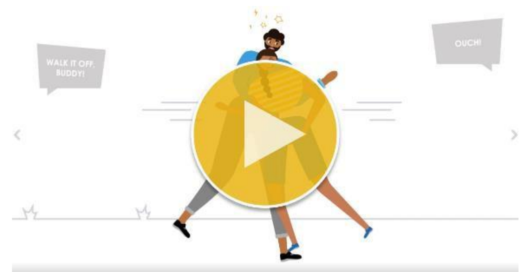
Get help with your benefits however you feel most comfortable. Below is a list of fun, educational videos where you can learn about different topics that will help you better understand your benefits!

Insurance Lingo



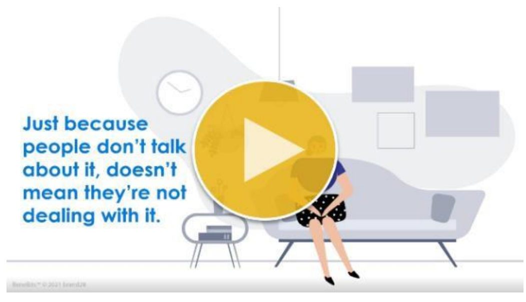
Qualifying Events

High Deductible Health Plan



ER vs Urgent Care

Prescription Drugs



Qualifying Events

For Assistance

If you have any questions, please reach out to your plan providers.

Plan Type	Provider	Phone Number	Website
Medical PPO, HDHP, HMO	Blue Shield of California	(855) 599-2657	Member login: www.blueshieldca.com Microsite: https://www.bscaplan.com/vuaxvc
Shield Concierge **TRIO ACO HMO**	Blue Shield of California	(855) 829-3566	Member login: www.blueshieldca.com Microsite: www.bscaplan.com/eeqpb9
HSA	HSA Bank	(800) 357-6246	www.hsabank.com
Dental PPO	MetLife	(800) 438-6388	https://www.metlife.com/
Dental HMO	MetLife	(800) 880-1800	https://www.metlife.com/
Alliant Medicare Solutions	Alliant	(888) 835-2588	https://www.alliantmedicaresolutions.com/
Human Resources	Lisa Wirtz	(323) 583-8811 Ext.325	lwirtz@cityofvernonca.gov

Key Terms

MEDICAL/GENERAL TERMS

Allowable Charge - The most that an in-network provider can charge you for an office visit or service.

Balance Billing - Non-network providers are allowed to charge you more than the plan's allowable charge. This is called Balance Billing.

Coinsurance - The cost share between you and the insurance company. Coinsurance is always a percentage totaling 100%. For example, if the plan pays 70%, you are responsible for paying the remaining 30% of the cost.

Copay - The fee you pay to a provider at the time of service.

Deductible - The amount you have to pay out-of-pocket for expenses before the insurance company will cover any benefit costs for the year (except for preventive care and other services where the deductible is waived).

Explanation of Benefits (EOB) - The statement you receive from the insurance carrier that explains how much the provider billed, how much the plan paid (if any) and how much you owe (if any). In general, you should not pay a bill from your provider until you have received and reviewed your EOB (except for copays).

Family Deductible - The maximum dollar amount any one family will pay out in individual deductibles in a year.

Individual Deductible - The dollar amount a member must pay each year before the plan will pay benefits for covered services.

In-Network - Services received from providers (doctors, hospitals, etc.) who are a part of your health plan's network. In-network services generally cost you less than out-of-network services.

Out-of-Network - Services received from providers (doctors, hospitals, etc.) who are not a part of your health plan's network. Out-of-network services generally cost you more than in-network services. With some plans, such as HMOs and EPOs, out-of-network services are not covered.

Out-of-Pocket - Healthcare costs you pay using your own money, whether from your bank account, credit card, Health Reimbursement Account (HRA), Health Savings Account (HSA) or Flexible Spending Account (FSA).

Out-of-Pocket Maximum – The most you would pay out-of-pocket for covered services in a year. Once you reach your out-of-pocket maximum, the plan covers 100% of eligible expenses.

Preventive Care – A routine exam, usually yearly, that may include a physical exam, immunizations and tests for certain health conditions.

PRESCRIPTION DRUG TERMS

Brand Name Drug - A drug sold under its trademarked name. A generic version of the drug may be available.

Generic Drug – A drug that has the same active ingredients as a brand name drug but is sold under a different name. Generics only become available after the patent expires on a brand name drug. For example, Tylenol is a brand name pain reliever commonly sold under its generic name, Acetaminophen.

Dispense as Written (DAW) - A prescription that does not allow for substitution of an equivalent generic or similar brand drug.

Maintenance Medications - Medications taken on a regular basis for an ongoing condition such as high cholesterol, high blood pressure, asthma, etc. Oral contraceptives are also considered a maintenance medication.

Non-Preferred Brand Drug - A brand name drug for which alternatives are available from either the plan's preferred brand drug or generic drug list. There is generally a higher copayment for a non-preferred brand drug.

Preferred Brand Drug - A brand name drug that the plan has selected for its preferred drug list. Preferred drugs are generally chosen based on a combination of clinical effectiveness and cost.

Specialty Pharmacy - Provides special drugs for complex conditions such as multiple sclerosis, cancer and HIV/AIDS.

Step Therapy - The practice of starting to treat a medical condition with the most cost effective and safest drug therapy and progressing to other more costly or risky therapy, only if necessary.

DENTAL TERMS

Basic Services - Generally include coverage for fillings and oral surgery.

Diagnostic and Preventive Services - Generally include routine cleanings, oral exams, x-rays, sealants and fluoride treatments. Most plans limit preventive exams and cleanings to two times a year.

Endodontics - Commonly known as root canal therapy.

Implants - An artificial tooth root that is surgically placed into your jaw to hold a replacement tooth or bridge. Many dental plans do not cover implants.

Major Services - Generally include restorative dental work such as crowns, bridges, dentures, inlays and onlays.

Orthodontia - Some dental plans offer Orthodontia services for children (and sometimes adults too) to treat alignment of the teeth. Orthodontia services are typically limited to a lifetime maximum.

Periodontics - Diagnosis and treatment of gum disease.

Pre-Treatment Estimate - An estimate of how much the plan will pay for treatment. A pre-treatment estimate is not a guarantee of payment.

Important Plan Notices and Documents

Current Health Plan Choices

Notices must be provided to plan participants on an annual basis are available on the City's website at www.cityofvernon.org and include:

- Medicare Part D Notice
  Describes options to access prescription drug coverage for Medicare eligible individuals.
- Women's Health and Cancer Rights Act
  Describes benefits available to those that will or have undergone a mastectomy.
- Newborns' and Mothers' Health Protection Act Describes the rights of mother and newborn to stay in the hospital 48-96 hours after delivery.
- HIPAA Notice of Special Enrollment Rights
  Describes when you can enroll yourself and/or dependents in health coverage outside of open enrollment.
- Notice of Choice of Providers
  Notifies you about the plan's requirement that you name a Primary Care Physician (PCP).
- Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)
  Describes availability of premium assistance for Medicaid eligible dependents.

Current Plan Documents

Important documents for our health plan and retirement plan available on the company intranet and include:

Summary Plan Descriptions (SPDs)

A Summary Plan Description, or SPD, is the legal document for describing benefits provided under the plan as well as plan rights and obligations to participants and beneficiaries. The following Summary Plan descriptions are available:

- City of Vernon's Group Health Plan

Summary of Benefits and Coverage (SBCs)

A Summary of Benefits and Coverage (SBC) is a document required by the Affordable Care Act (ACA) that presents benefit plan features in a standardized format. The following SBC's are available:

- Blue Shield of California HMO
- Blue Shield of California TRIO ACO HMO
- Blue Shield of California PPO
- Blue Shield of California HDHP

Statement of Material Modifications

This enrollment guide constitutes a Summary of Material Modifications (SMM) to the City of Vernon's Group Health Plan. It is meant to supplement and/or replace certain information in the SPD, so retain it for future reference along with your SPD. Please share these materials with your covered family members.

Medicare Part D Notice

Important Notice from the City of Vernon 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 The City of Vernon 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. The City of Vernon has determined that the prescription drug coverage offered by the The City of Vernon 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.

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 15th to December 7th.

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 decide to join a Medicare drug plan, your City of Vernon coverage will be affected. See below for more information about what happens to your current coverage if you join a Medicare drug plan.

Since the existing prescription drug coverage under Blue Shield of California of California is creditable (e.g., as good as Medicare coverage), you can retain your existing prescription drug coverage and choose not to enroll in a Part D plan; or you can enroll in a Part D plan as a supplement to, or in lieu of, your existing prescription drug coverage.

If you do decide to join a Medicare drug plan and drop your City of Vernon prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back.

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 The City of Vernon City of Vernon 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 the person 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, and if this coverage through The City of Vernon changes. You also may request a copy of this notice at any time.

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 **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 800-MEDICARE (800-633-4227). TTY users should call 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 **socialsecurity.gov**, or call them at 800-772-1213 (TTY 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:	January 1, 2025
Name of Entity/Sender:	City of Vernon
Contact-Position/Office:	Lisa Wirtz
Address:	4305 Santa Fe Ave., Vernon CA 90058
Phone Number:	(323) 583-8811 x325

City of Vernon 4305 Santa Fe Avenue | Vernon, CA 90058 | (323) 583-8811

www.cityofvernon.org

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