

**IMPORTANT NOTICE FROM ICUBA AND NOVA SOUTHEASTERN UNIVERSITY
ABOUT YOUR PRESCRIPTION DRUG COVERAGE
AND MEDICARE PART D LETTER OF CREDITABLE COVERAGE**

November 7, 2005

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Nova Southeastern University and new prescription drug coverage available January 1, 2006 for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

- 1. Starting January 1, 2006, new Medicare prescription drug coverage will be available to everyone with Medicare.**
- 2. The Prescription Drug coverage offered by Nova Southeastern University through the Independent Colleges and Universities Benefits Association (ICUBA) does pay out as much as the Standard Medicare Prescription Drug Plan.¹ Accordingly, the Drug benefit provided to Medicare Eligible Plan Participants is considered to be “Creditable Coverage.”²**
- 3. The current Nova Southeastern University Retiree Plan is a comprehensive health plan that includes prescription drug coverage. It is not possible to select or carve out the prescription drug portion of the plan. Please review this Medicare Program carefully. If any Eligible Medicare Beneficiary chooses to elect, on their own, one of the many new plans being offered because of this change to Medicare, please keep in mind that such a Plan Participant will forfeit ALL rights to participate in the Nova Southeastern University Retiree Plan. You may contact OutsourceOne at 1-877-491-5980 if you require another copy of the Medicare D Letter of Creditable Coverage.**
- 4. NO action is required at this time by any Medicare Beneficiary. This notice is for information only. All currently enrolled Medicare Eligible Plan Participants’ coverage will remain in force with the ICUBA Health Plan. If you choose to enroll in the Medicare Part D coverage, the initial enrollment period is between November 15, 2005 and May 15, 2006. There will be an annual enrollment period for Medicare Part D from November 15 – December 31 each subsequent year.**

You may have heard about Medicare’s new prescription drug coverage, and wondered how it would affect you. Nova Southeastern University has determined that your prescription drug coverage with ICUBA is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay.

Starting January 1, 2006, prescription drug coverage will be available to everyone with Medicare through Medicare prescription drug plans. All Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium.

¹ According to Mercer Actuarial Study

² The Centers for Medicare and Medicaid Services (CMS) defines creditable coverage as that is “on average, is at least as good as the Medicare standard prescription drug coverage.”

Because your existing coverage is on average at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a premium penalty if you later decide to enroll in Medicare coverage.

People with Medicare can enroll in a Medicare prescription drug plan from November 15, 2005 through May 15, 2006. However, because you have existing prescription drug coverage that, on average, is as good as Medicare coverage, you can choose to join a Medicare prescription drug plan later. Each year after that, you will have the opportunity to enroll in a Medicare prescription drug plan between November 15th through December 31st

If you do decide to enroll in a Medicare prescription drug plan and drop your ICUBA health plan prescription drug coverage, be aware that you will not be able to re-enroll in the ICUBA plan.

Your current Prescription coverage through ICUBA is more comprehensive coverage than the Medicare Part D Prescription Drug Plan as shown in the comparison below:

PRESCRIPTION DRUG COVERGE COMPARISON		
	ICUBA Plan	Medicare Part D *
Deductible	None	\$250
Co payment: ³		
Generic	\$10 Retail/\$20 Mail Order	None
Brand	\$25 Retail/\$50 Mail Order	
Non-Preferred Brand	\$50 Retail/\$100 Mail Order	
Member Responsibility – 1 st \$250 (per year)	Applicable co pay	Member pays full amount
Member Responsibility – \$250 - \$2,250 (per year)	Applicable co pay	Member pays 25% Coinsurance
Member Responsibility – \$2,250 - \$5,100 (per year)	Applicable co pay	Member pays full amount
Member Responsibility – Above \$5,100 (per year)	Applicable co pay	Member pays 5% Coinsurance

* NOTE: Prescription drug plans available to Medicare-eligible members through other vendors may have richer benefits than those provided through Medicare Part D.

Your current coverage pays for other health expenses, in addition to prescription drugs, and you will not be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan.

You should also know that if you drop or lose your coverage with ICUBA and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay a premium penalty to enroll in Medicare prescription drug coverage later. If, after May 15, 2006, you go 63 days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, you will pay a premium penalty of at least 1% per month for every month after May 15, 2006 that you did not have prescription drug coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what most other people pay. You will have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until next November to enroll.

³ Mail Order RX provides three months supply for the co pay for two months

**For more information about your options under
Medicare prescription drug coverage**

More detailed information about Medicare plans that offer prescription drug coverage is available in the "Medicare & You 2006" handbook sent out by the Center for Medicare and Medicare Services (CMS) to all Medicare-eligible members by mail. CMS has made some corrections regarding low income subsidies and plan choices since that handbook was printed, so you may want to go to the CMS website listed below for the most up to date information.

You will be contacted directly by alternative Medicare prescription drug plan vendors. Please review your options carefully.

You can get information about Medicare prescription drug plans from these places:

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

For people with limited income and resources, extra help to pay for a Medicare prescription drug plan is available. Information about this extra help is available from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at www.socialsecurity.gov, or call them at 1-800-772-1213, (TTY 1-800-325-0778).

Remember: Keep this notice if you or any of your dependents are eligible for Medicare. If you enroll in one of the new plans approved by Medicare to offer prescription drugs coverage after May 15, 2006, you may need to provide a copy of this notice, or obtain another copy at that time, to show that you have creditable coverage and are not required to pay a premium penalty.

Date: November 7, 2005

Name of ICUBA Member School: Nova Southeastern University

Contact Person/Office: Benefits Department Office of Human Resources

Address: 3301 College Avenue Fort Lauderdale, FL 33314-7796

Phone Number: 954-262-7843

