# City of Newport, Rhode Island
DEPARTMENT OF HUMAN RESOURCES
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October 13, 2026

**RE: MEDICARE Plan D Open Enrollment**

Dear City Health Plan Participant:

Each year, you will receive a letter from our office notifying you of the annual *Open Enrollment* period for Medicare health and drug plans which began on October 15, 2026 and continue until December 7, 2026. However, because you are already receiving a more superior prescription drug plan through the City of Newport, you may wish NOT to purchase a Medicare Part D plan during this coming Open Enrollment period.

The Medicare Modernization Act of 2003 requires all employers that offer prescription drug coverage to notify employees and retirees who are Medicare eligible, or who may be Medicare eligible, as to the value of the current prescription drug benefit compared to that of the *optional* Medicare Part D drug benefit that went into effect on January 1, 2006.

This is to inform you that **all of the health plans that the City of Newport offers have prescription drug benefits that are at least as good as the standard Medicare Part D prescription drug benefit, and these plans are considered to be "creditable coverage"**. This statement is based on reviews performed by qualified actuaries of the prescription drug benefits and spending by the City on each health plan compared to what Medicare would pay in 2026. Therefore, **if you plan to continue to be covered under the City of Newport's health benefits plans, you do not need to purchase Medicare Part D.** If in the future you should want to purchase Part D for whatever reason, because you are covered by a plan that has benefits as good as or better than Part D benefits, you would not be charged the Part D late enrollment premium penalty.

The Centers for Medicare & Medicaid Services has published their **2027 *Medicare & You* handbook**. This is an exceptional and official source of information aimed to answer your Medicare questions. Many receive this handbook in the mail annually; however, you can also download the 128 page document by visiting the City of Newport's website at www.newportri.gov (Human Resources/Employee Healthcare/Senior Healthcare). For more information about Medicare Part D, please visit their web site at: www.medicare.gov or feel free to contact our office at (401) 845-5444.

Sincerely,

Nicole Paulino
Director of Human Resources

Enclosures

# Important Notice from the City of Newport, RI 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 Newport 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 Newport has determined that the prescription drug coverage offered by the City 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.**

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## 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 through 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.

## 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 Newport 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 Newport 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 www.medicare.gov, or,
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the *"Medicare & You"* handbook for their telephone number) or,
- For personalized help, call 1-800-MEDICARE (1-800-633-4227). 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 (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).**

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