



MPIHP PRESCRIPTION DRUG COVERAGE AS COMPARED TO MEDICARE PART D

Your Questions Answered

1. Who benefits from the Medicare prescription drug program?

Medicare Part D was not designed to replace existing high-benefit, low-cost plans like your Motion Picture Industry Health Plan prescription drug coverage. The program was established to benefit Medicare-eligible individuals who have:

- Limited income (See question 11.)
- No insurance for prescription drug costs
- Large out-of-pocket expenses associated with their medications

2. Am I required to sign up for Medicare Part D?

You are *not* required to sign up for Medicare Part D. It is a voluntary program. If you are eligible for Medicare and eligible for prescription drug coverage through the MPI Health Plan, you have a choice to stay with your MPI Health Plan prescription drug coverage administered by Medco or to enroll in Medicare Part D. However, you must choose one plan or the other.

3. What happens if I don't sign up for Medicare Part D?

If you do not enroll in Medicare Part D, you will continue to enjoy prescription drug coverage through Medco, provided you remain eligible for MPI Health Plan benefits. It is not necessary to take any action to stay enrolled in the MPI Health Plan prescription drug plan. You automatically will continue your coverage with relatively low co-pays.

4. If I choose Medicare Part D, will it affect my other MPI Health Plan benefits?

No. Choosing Medicare Part D will not impact any other part of your MPI Health Plan benefits.

5. I'm eligible for Medicare but covered by the MPI Active Health Plan because I'm still working. Am I eligible for Medicare Part D?

Yes, all Medicare-eligible individuals are eligible for Medicare Part D. Your out-of-pocket cost comparison between the MPI Health Plan and Medicare Part D will differ slightly from that of Participants covered by the MPI Retiree Health Plan because your co-pays are higher, but your current MPI Health Plan prescription drug co-pays will still be lower than the out-of-pocket costs for Medicare Part D.

6. If I continue with the MPI Health Plan prescription drug coverage during the Part D Open Enrollment period and change to Medicare Part D later, will Medicare penalize me?

No. If you sign up for Medicare Part D at a later date, you will need the "Notice of Creditable Coverage" form in order to avoid a penalty for enrolling late. Because your prescription drug coverage with the MPI Health Plan is better than the Medicare Part D coverage, Medicare will waive any penalty for enrolling late, provided any gap in coverage is less than 63 days.



7. What happens if my spouse and I want to choose different plans?

In the event that only one of you chooses to enroll in Medicare Part D, the other person's prescription drug coverage will remain unchanged under the current MPI Health Plan as long as the Participant and spouse are covered by and eligible for MPI Health Plan benefits. Once Medicare Part D becomes effective for the individual who chooses it, that person will no longer be covered by MPI Health Plan prescription drug benefits. However, he or she will continue to receive the rest of the MPI Health Plan benefits.

8. Can I switch back to the MPI Health Plan for prescription drug coverage if I choose Medicare Part D now?

Yes. As long as you remain eligible for MPI Health Plan benefits and are no longer covered by Medicare Part D, you may switch back to the MPI Health Plan prescription drug coverage during any period that Medicare permits you to drop Part D coverage.

9. Is anything different because I'm a member of a Local whose benefit plans merged into the MPI Health Plan?

As a result of unique agreements associated with the mergers of various benefit plans into the MPI Plans throughout the years, your benefits may be different from the examples presented. Regardless, if your plan includes a prescription drug benefit, your co-pays are significantly lower than out-of-pocket costs for Medicare Part D, and in the vast majority of cases, it is to your advantage to remain with the MPI Health Plan prescription drug program.

10. Will my decision on Medicare Part D in any way affect my coverage for Medicare Part A or Part B?

No. The three Medicare plans are distinct, and your participation in Part D does not impact your Medicare Part A or Part B coverage.

11. What special assistance is available to low-income seniors through Medicare Part D?

Government assistance is available to low-income individuals and families. You may qualify for extra help from Medicare to pay prescription drug costs if you have a yearly income below \$16,245 (\$21,855 for a married person living with a spouse and no other dependents) and resources less than \$12,510 (\$25,010 for a married person living with a spouse and no other dependents). Amounts may change in early 2011. Further information is available at www.socialsecurity.gov or by calling the Social Security Administration at (800) 772-1213.

12. Will all the Medicare Part D prescription plans offered be the same?

No. You may have already received promotional information from various private prescription drug plans and health plans contracted by Medicare to provide prescription drug coverage. They may encourage you to sign up for their Medicare prescription plans. These plans may vary in how they structure their costs to you, and they may offer lower out-of-pocket costs than the standard Medicare Part D plan. It is unlikely, however, that any will compare to the low out-of-pocket expenses available to Participants through the MPI Health Plan prescription drug benefit.



Remember, you are not required to sign up for any of those plans. You have the option to stay with your current MPI Health Plan prescription drug coverage.

13. When do I need to make a decision?

The open enrollment period for Medicare Part D begins November 15, 2010, and ends December 31, 2010. If you choose to enroll in Medicare Part D, you will lose your MPI Health Plan prescription drug coverage at the time your Medicare Part D coverage becomes effective.

- If you enroll prior to December 31, 2010, your Medicare Part D coverage will be effective January 1, 2011, and your MPI Health Plan prescription drug coverage will be cancelled then.
- After December 31, 2010, the next open enrollment period for Medicare prescription coverage will be Fall 2011.