



Town of Northborough

Finance Department

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To: All Benefit Eligible Employees and Retirees

From: Lisa M. Troast, Treasurer/Collector

Date: April 25, 2023

RE: Important Information About Your Health Insurance

You may have heard about the changes to Medicare in recent years. Among these changes is the addition to **Medicare Part D** that provides for Prescription Drug coverage. This change and its accompanying regulations are complex and far-reaching. The Town of Northborough is pleased to inform you that our Employee Medical Insurance Plans from Harvard Pilgrim Health Care HMO, Harvard Pilgrim Health Care Focus, Harvard Pilgrim Health Care PPO, Blue Shield of Massachusetts Medex II, Fallon Senior, Tufts Medicare Complement, and Tufts Medicare Preferred HMO have passed the "Gross Value Test" and are considered by these Insurers to offer "Creditable Coverage." What this means is that an actuarial review of the prescription drug coverage in these plans has proved them to be equal or greater than the benefit provided by Medicare Part D.

If you are an active Employee or the spouse of an active Employee (still working) of the Town of Northborough who is currently covered by one of the plans listed above and are **MEDICARE ELIGIBLE**, you do not need to apply for Medicare D at this time and will not be subject to any late filing "penalty" as long as you remain employed by the Town of Northborough and enrolled in these Health Plans. When you cease to be employed by the Town of Northborough, you will be eligible to apply for Medicare Part D. There is no need for you to apply for this Medicare Benefit at this time.

If you are a Retiree and enrolled in any of the health plans offered, **you do not have to apply for Medicare Part D**. We feel that the prescription drug coverage in your plan is superior to Medicare D and you will receive no significant advantage by participating. Because this plan has passed the "Gross Value Test", **you will not be subject to any late enrollment penalties should you choose to enroll in Medicare Part D at some future date.**

Enclosed with this letter for your records is the **Notice of Creditable Coverage**. **This is an important document about your Medical Insurance and should be kept with you other important documents.**

If you have any questions please call Lisa Troast in the Treasurer's Office at (508)393-5049. Our office is open Monday, Wednesday, or Thursday from 8AM to 4PM, Tuesday from 8AM to 7PM, or Friday from 7AM to noon.