



## **Important Notice from Arkema about medical and prescription drug coverage under the Arkema Pre-65 Retiree Medical Plan and Medicare**

If you are covered as a retiree or a dependent under the Arkema Pre-65 Retiree Medical Plan, your coverage under that plan will terminate the earlier of the first of the month when you turn age 65 or when the retiree turns age 65. When you first become eligible for Medicare, you should enroll in Medicare during your initial enrollment period. Your initial enrollment period is the seven-month period that begins three months before the month you turn age 65, includes the month you turn age 65, and ends three months after the month you turn age 65. If you do not enroll in Medicare when first eligible, you may be subject to late Part A and/or Part B enrollment penalties. If you become covered under Medicare prior to age 65 due to a determination by the Social Security Administration that you are disabled or become covered under Medicare due to end stage renal disability, your coverage under the Arkema Pre-65 Retiree Medical Plan will continue until age 65, but you should still timely enroll in Medicare Part B, such as when you first become eligible, to avoid late Part B enrollment penalties. Furthermore, the Arkema Pre-65 Retiree Medical Plan will pay benefits as if you are enrolled in Medicare Part B and will pay benefits secondary to Medicare, as allowed by law.

If you are entitled to Medicare due to age, disability, or end stage renal disease, you are eligible to enroll in a Medicare prescription drug plan. The purpose of this notice is to let you know that the prescription drug coverage provided under the Arkema Pre-65 Retiree Medical Plan is expected to pay out, on average, at least as much as the standard Medicare prescription drug coverage will pay in 2024. This is known as “creditable coverage.”

**Why this is important.** Because the prescription drug coverage under the Arkema Pre-65 Retiree Medical Plan is creditable coverage, you do not have to enroll in a Medicare prescription drug plan when you are first eligible. You may decide to enroll in a Medicare prescription drug plan later and not be subject to a late enrollment penalty – as long as you had creditable coverage within 63 days of your Medicare prescription drug plan enrollment. You should keep this notice with your important records.

**If you or your family members aren’t currently covered by Medicare and won’t become covered by Medicare in the next 12 months, this notice doesn’t apply to you.**

Please read this notice carefully. It has information about retiree prescription drug coverage with Arkema and prescription drug coverage available for people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage.

### **Notice of creditable coverage**

You may have heard about Medicare’s prescription drug coverage (called Part D), and wondered how it would affect you. Prescription drug coverage is available to everyone with Medicare through Medicare prescription drug plans. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans also offer more coverage for a higher monthly premium.

Individuals can enroll in a Medicare prescription drug plan when they first become eligible, and each year from October 15 through December 7. Individuals leaving employer/union coverage for active employees may be eligible for a Medicare Special Enrollment Period.

If you enroll in a Medicare prescription drug plan, you and your dependents will continue to be eligible for benefits under the Arkema Pre-65 Retiree Medical Plan. Before you decide to enroll in a Medicare prescription drug plan, you should compare your coverage under the Arkema Pre-65 Retiree Medical Plan – including which drugs are covered – with the coverage and cost of the Medicare prescription drug plans available in your area. You will still be eligible to receive Under 65 retiree medical and prescription drug coverage if you choose to enroll in a Medicare prescription drug plan. If you participate in the Aetna Choice POS II Consumer Driven Health Plan (CDHP) with a Health Savings Account (HSA), you will no longer be eligible to contribute to an HSA upon being enrolled in Medicare. However, where allowed by law, the Arkema Pre-65 Retiree Medical Plan will pay secondary to Medicare. If you waive or drop Arkema coverage, Medicare will be your only payer, and you will not be able to re-enroll in the Arkema Pre-65 Retiree Medical Plan.

You should know that if you waive or lose your retiree coverage with Arkema and you go 63 days or longer without creditable prescription drug coverage (once your applicable Medicare enrollment period ends), your monthly Part D premium will go up at least 1% per month for every month that you did not have that coverage. For example, if you go 19 months without creditable coverage, your Medicare prescription drug plan premium will always be at least 19% higher than what most other people pay. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to enroll in Part D.

You may receive this notice at other times in the future – such as before the next period you can enroll in Medicare prescription drug coverage, if this prescription drug coverage changes, or upon your request.

### **To learn more 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. Medicare participants will get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans.

Here's how to get more information about Medicare prescription drug plans:

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

For people with limited income and resources, extra help paying 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](http://www.socialsecurity.gov) or call 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this notice. If you enroll in a Medicare prescription drug plan after your applicable Medicare enrollment period ends, you may need to provide a copy of this notice

when you join a Part D plan to show that you are not required to pay a higher Part D premium amount.

For more information about this notice or your prescription drug coverage, contact the Arkema Benefits Service Center at 1-800-406-9823.

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The PPO and CDHP health plan options both meet Minimum Creditable Coverage standards for Massachusetts residents effective January 1, 2022, as part of the Massachusetts Health Care Reform Law

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Under the Arkema Inc. Pre-65 Retiree Medical Plans, the prescription drug coverage available to you is part of the medical plan option you select.

The Aetna Choice POS II PPO requires that each participant pay a coinsurance/copayment for all prescription drugs.

If available to you, the Aetna Choice POS II Consumer Driven Health Plan (CDHP) with a Health Savings Account (HSA) requires that prescription drug costs other than preventive drugs be paid in full by participants until they reach their overall annual deductible of \$1,800/retiree and \$3,600/family in-network, and \$3,600/retiree and \$7,200/family out-of-network. This deductible will include all prescription drug and eligible medical expenses. After participants have reached this deductible, they must pay a coinsurance/copayment for all prescription drugs. Preventive drugs are paid at 100%.

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