PERALTA BENEFITS EVERYONE!
Published by the PCCD Benefits Office

October 22, 2015

The District Benefits Office proudly services over 2,800 employees, retirees and their eligible dependents. We offer customer serves and resources to support the on-going use of medical, dental, life insurance and other voluntary benefits. We encourage the use of District resources and technologies to increase your access to information and services. Enrollment Census as of September 2015 (includes dependents)

<table>
<thead>
<tr>
<th></th>
<th>Active</th>
<th>Retired</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser</td>
<td>1098</td>
<td>423</td>
<td>1521</td>
</tr>
<tr>
<td>Self-funded</td>
<td>618</td>
<td>671</td>
<td>1289</td>
</tr>
</tbody>
</table>

It's Flexible Benefits Open Enrollment Time!
Enrollment into the Flexible Benefits Plan for calendar year 2015 begins November 1 and ends November 30, 2015. Open enrollment for the flexible benefits plan is the annual opportunity for active and eligible employees to consider setting money aside on a pre-tax basis for eligible medical and dependent care expenses which are not reimbursed from other sources. Participation in this plan is voluntary. Enrollment will occur online. Inside of the Section 125/Flexible Benefit Handbook 2016, you will find:

- a list of eligible expenses on pages 6 and 7
- online enrollment instructions on page 10.

Customer Service Resources on the Peralta Benefits Website (http://web.peralta.edu/benefits)
Bookmark and refer to the District benefits website to stay abreast of current and upcoming events and links to a variety of District resources. Find out more information about our 403(b), 457(b) plan administration and how to transact on current investments through District-sponsored vendors.

BenefitBridge-Attention Active Employees: Check your Benefits Online
As part of our efforts to go green and to use emerging technologies, employees continue to use BenefitBridge to make enrollment changes, view benefit plan enrollments, use other web resources and direct links to carriers. Active employees, review your current enrollment and/or make enrollment changes during a life event; use the secure on-line enrollment portal http://www.benefitbridge.com/peralta.

Medicare Reimbursement Program Expanded
In October 2015, the Peralta Community College District Board of Trustees approved the expansion of the Medicare Reimbursement Program to include Medicare Part D Income Related Monthly Adjustment Amounts (Part D-IRMAA).

⇒ If an individual retired on or before 4/30/13, Medicare Part D expenses incurred and paid on or after 9/1/15 are eligible for reimbursement; or

⇒ If an individual retired on or after 5/1/13 Medicare Part D expenses incurred and paid on or after 1/1/15 are eligible for reimbursement.

More information can be located in the Summary Plan Description being mailed to retirees of the District. The SPD is also available:

- online at web (http://web.peralta.edu/benefits)
- or by calling 510 466 7229

Peralta Benefits Everyone, October 22, 2015
Important Notice from PCCD 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 PCCD 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. PCCD has determined that the prescription drug coverage offered by Kaiser and CoreSource are, 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.

Highlights of the 2016 Medicare Prescription Drug benefit:

- Minimal monthly premium (varies depending on the plan you choose)
- In 2016, Part D enrollees will continue to receive a 55% discount on the total cost of brand name drugs while in the donut hole. Enrollees will pay a maximum of 65% copay on generic drugs while in the coverage gap.

Please see the table below for an illustration of how Part D coverage works (from the 2015 Medicare & You Handbook)

| Monthly premium: Ms. Smith pays a monthly premium throughout the 2015 plan year |
|---|---|---|---|
| Smith pays the first $360 of her drug costs before her plan starts to pay its share. | Ms. Smith pays a copayment, and her plan pays its share for each covered drug until their combined amount (plus the deductible) reaches $3,310. | Once Ms. Smith and her plan have spent $3,310 for covered drugs, she's in the coverage gap. In 2015, she pays 45% of the plan’s cost for her covered brand-name prescription drugs and 55% of the plan’s cost for covered generic drugs. What she pays (and the discount paid by the drug company) counts as out-of-pocket spending, and helps her get out of the coverage gap. | Once Ms. Smith has spent $4,850 out-of-pocket for the year, her coverage gap ends. Now she only pays a small coinsurance or copayment for each covered drug until the end of the year. |

<p>| Medicare, Kaiser and Caremark Comparison for PCCD Retirees |</p>
<table>
<thead>
<tr>
<th>Benefits</th>
<th>Medicare Part D</th>
<th>Kaiser</th>
<th>Caremark (through CoreSource medical coverage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-pay</td>
<td>25%</td>
<td>$1 - $15*</td>
<td>$1 - $15*</td>
</tr>
<tr>
<td>Deductible</td>
<td>$320</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

*Co-pays are based on formulary determination and whether or not mail order is used.

As you can see, your existing coverage is on average at least as good as standard Medicare prescription drug coverage. You can keep this coverage and not pay extra if you later decide to enroll in Medicare prescription drug coverage.

When Can You Join A Medicare Drug Plan?

Although your District-sponsored plans are better than the federal Medicare D Plan, we are required to inform you that you can join a Medicare drug plan when you first become eligible for Medicare and each year from Oct. 15th through Dec. 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.
What Happens to Your Current Coverage if You Decide to Join a Medicare Drug Plan?
If you are retired from Peralta employment, receive prescription drug coverage through the District as a retiree or dependent thereof, and participate in a Medicare drug plan outside of your Peralta group insurance plan, your current PCCD coverage may be affected.

- If you elect Kaiser Senior Advantage, you are automatically signed up for Medicare Part D at the time of your enrollment. All Medicare benefits are assigned to Kaiser when you enroll in Kaiser Senior Advantage. It is possible that you will be responsible for a monthly Medicare Part D premium payment. A small group, fewer than 5% of all people with Medicare, may pay a monthly premium for Medicare Part D coverage based upon their income. This includes Part D coverage you receive from a Medicare Advantage Plan that includes drug coverage. If your modified adjusted gross income as reported on your IRS tax return for the year prior to the current year is above a certain limit, you will pay an extra amount in addition to your plan premium. Usually, the extra amount is deducted from your Social Security check. If not, the responsibility to make this payment is yours. In accordance with Medicare regulations, Kaiser will terminate the prescription drug benefit affiliated with Kaiser Senior Advantage if the Medicare D premium is not paid.

- If you are enrolled in the PCCD, Self-Funded Plan, and elect to sign up for Medicare Part D, your prescription coverage under the District will be canceled. If you do decide to join a Medicare drug plan and drop your current PCCD prescription coverage, be aware that you and your dependents will be unable to get this coverage back until the next open enrollment period.

The District reimburses the Medicare D premium tax paid by “Higher Income Beneficiaries” as defined by the Social Security Administration. Criteria for the tax assessment can be found in the publication SSA Publication 05-10536 Medicare Premiums: Rules for Higher Income Beneficiaries. http://www.ssa.gov/pubs/10536.html#A0--1. In October 2015, the PCCD Board of Trustees approved the expansion of the Medicare Reimbursement Program to include Medicare D.

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 PCCD 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 November to join.

For More Information About This Notice or Your Current Prescription Drug Coverage...
For further information call the PCCD Benefits Office at 510.466.7229. 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 PCCD changes. You also may request a copy of this notice at any time.

For More Information About Medicare Premiums:
Given the complexity of each individual's circumstances, contact Medicare directly regarding the accuracy of the tax amount or the timing or the method of your payments to the Medicare A, B & D programs.

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. For more information about Medicare prescription drug coverage:
• Visit www.medicare.gov
• Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) 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, 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 users should call 1.800.325.0778.

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). October 22, 2015 -- Name of Entity/Sender: PCCD District Benefits Office--Phone Number: 510.466.7229
Come to the 2015 Fall Fiscal Fitness and Empowerment Series
Free workshops, assistance and more!
Tax Deferred Planning, Estate Planning, Identity Theft, Fun-Discounts & More

<table>
<thead>
<tr>
<th>DATE</th>
<th>CAMPUS</th>
<th>TIME</th>
<th>ROOM/LOCATION</th>
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<td>11/03/2015</td>
<td>Berkeley City College</td>
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<tr>
<td>11/05/2015</td>
<td>Laney &amp; District</td>
<td>10am-2pm</td>
<td>Atrium &amp; Board Room</td>
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Come hear about Tax deferred Investing & Medicare Reimbursement Program Updates

Flu Shots for current employees and retirees in our self-funded plan administered by CoreSource and CVS Caremark
Attention Peralta District Employees and Retirees currently enrolled in CoreSource. As part of its community commitment partnership CVS will be on-site to provide free and convenient immunizations to current enrollees of our self-funded plan currently administered by CoreSource. YOU WILL NEED TO BRING YOUR CORESOURCE CARD AND IDENTIFICATION WITH YOU IN ORDER TO RECEIVE YOUR VACCINATION. YOU MAY ALSO BRING YOUR COVERED ELIGIBLE DEPENDENTS.

2015 Fit Fun Fab Challenge Winners Circle
Congratulations to Phasasha Pharr and Maria Rubio (Merritt) and Donna Dorsey (BCC) who were winners of our Summer 2015 Fit, Fun Fab Challenge. The winners received a health & fitness duffle bag from Kaiser, a Fitbit and tips and tools on how to create a healthier lifestyle. Phasasha, Maria and Donna joined the 2014 Fit, Fun Fab Winners Circle which included Andy Arias and Shirley Wilson.

Upcoming Key Dates for 2016
11/1-11/30/2015: Flexible Benefits Enrollment for calendar year 2016
12/31/15: Deadline for submitting the Kaiser Reimbursement Form
2/3/16: Annual Medicare Campaign @ the District (With Kaiser, Medicare and Pension Dynamics Representatives)
1/1/16- 3/31/16: Medicare Open Enrollment Window

In Memoriam
The Peralta family offers condolences to members of our extended community who have passed on. This partial list includes names of retirees brought to the attention of the Benefits Office during the last few months:

Moni Gomes **James McHugh**David Lauer **Shana Shakir