

CREDITABLE COVERAGE DISCLOSURE NOTICE
to Retirees, Spouses, Surviving Spouses, and Dependents
Who Are Currently Covered or May Become Covered
Under the Consolidated Edison Retiree Prescription Drug Plan
of Consolidated Edison Company of New York, Inc.
or Orange and Rockland Utilities, Inc.
(referred to as the “Con Edison Drug Plan”)

This Notice Is About Your Upcoming 2016 Prescription Drug Plan Choices

Important Notice from Consolidated Edison Company of New York, Inc.,(CECONY)
and Orange and Rockland Utilities, Inc.(O&R)
About Your Prescription Drug Coverage and Medicare

Please note that this notice pertains to you only if:

- You are Medicare eligible (over age 65 or considered disabled by the Social Security Administration) and currently covered or are (or will become before the end of the 2013 Plan Year) eligible for coverage under one of the health plans sponsored by Con Edison or O&R for retired employees, or
- You have a dependent spouse or child who is **both** covered by Medicare or Medicaid **and** currently covered or eligible for coverage under one of the health plans sponsored by Con Edison or O&R for retired employees. (If you or your dependents are currently covered by Medicaid, you are not eligible to enroll in the Con Edison Drug Plan)

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with CECONY or O&R and about your options under Medicare’s prescription drug coverage called “Medicare Part D Drug Plan.”

Starting on January 1, 2013, your coverage under the Con Edison Drug Plan became a Medicare Part D Drug Plan with supplemental coverage provided by CECONY and O&R (sometimes also called the SilverScript Employer PDP). This means that starting in 2013 and continuing in 2014, the Con Edison Drug Plan qualifies as and is a Medicare Part D Drug Plan.

This information can help you decide whether you want to continue with the Con Edison Drug Plan or join a different Medicare Part D Drug Plan.

If you are considering joining a different Medicare Part D Drug Plan, you may want to compare your current coverage, including which drugs are covered at what cost, with the other Medicare Part D Drug Plans that are available to you 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.

Medicare prescription drug coverage (called a “Medicare Part D Drug Plan”) became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Part D Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare Part D Drug Plans provide at least a standard level of coverage set by Medicare. Some drug plans may offer more coverage for a higher monthly premium.

CECONY and O&R have determined that the Con Edison Drug Plan, which will be effective on January 1, 2016, is, on average for all plan participants, expected to pay out as much as a standard Medicare Part D Drug Plan pays. Therefore, the Con Edison Drug Plan is considered **creditable coverage**. Because the Con Edison Drug Plan is **creditable coverage**, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a different Medicare Part D Drug Plan.

Under the Medicare rules, you can join a Medicare Part D Drug Plan when you first become eligible for Medicare, and each year from October 15 through December 7th. If you do not join when you are first eligible, you may have to pay a higher premium when and if you later do join a Medicare Part D Drug Plan. However, if you lose your current **creditable coverage**, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a different Medicare Part D Drug Plan.

If you remain covered under Con Edison Drug Plan for 2016, you will have **creditable coverage** and you can choose to delay enrollment in a different Medicare Part D Drug Plan without paying a Medicare late-enrollment penalty. As long as you maintain **creditable coverage**, you will not be assessed a late-enrollment penalty if you choose to enroll in a different Medicare Part D Drug Plan at a later date.

If you decide to join a different Medicare Part D Drug Plan, your current coverage under the Con Edison Drug Plan will be terminated. If you enroll, or your dependent enrolls, in a different Medicare Part D Drug Plan for the 2016 calendar year, you or your dependent cannot maintain coverage in the Con Edison Drug Plan, and must drop coverage under the Con Edison Drug Plan. To drop coverage for yourself or your dependent, fill out the appropriate portion of the form on page 4. If you elect out of the Con Edison Drug Plan:

- **You can re-enroll in the Con Edison Drug Plan in a future open enrollment, but you will have to provide proof of *continuous creditable employer-provided group prescription drug coverage* with no break in coverage.**
- **You can also re-enroll in the Con Edison Drug Plan in a future open enrollment, if you provide proof of *continuous creditable prescription drug coverage in an employer group waiver Medicare prescription drug plan* with no break in coverage.**
- **You cannot re-enroll in the Con Edison Drug Plan in the future if you enrolled in an individual Medicare Part D plan or a Medicare Advantage plan with prescription drug coverage.**

Also, you can be enrolled in only one Medicare prescription drug plan at a time. If you enroll in another Medicare Part D plan or a Medicare Advantage plan with or without prescription drug coverage, Medicare will disenroll you from Con Edison Drug Plan. If you enroll in another Medicare prescription drug plan, you will not have the extra coverage provided by Con Edison. Other important information:

1. If you drop or lose your current coverage under the Con Edison Drug Plan and don't join a different Medicare Part D Drug Plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare Part D Drug Plan later.
2. Under the Medicare rules, 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 19 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 next November to join.

For more information about this notice or your current prescription drug coverage, call Employee Benefits at 1-800-582-5056 or O&R Benefits at 1-845-577-2783. You also may request a copy of this notice at any time.

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 Part D Drug Plans.

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, 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 a different Medicare Part D Drug Plan, you may be required to provide a copy of this notice when you join to show whether you have maintained creditable coverage and, therefore, whether you are required to pay a higher premium (a penalty).

If you no longer wish to continue your or your dependent's coverage under the Con Edison Drug Plan because you want to enroll in Medicare Part D Drug Plan, fill out the form on page 4 and send it to Employee Benefits. Remember that you cannot elect coverage in the Con Edison Drug Plan if you elect Medicare Part D Drug Plan. You may still be eligible to enroll in a health benefits (medical, hospital, dental, and vision) sponsored by CECONY or O&R if you choose to enroll in Medicare prescription drug coverage.

Date: November 1, 2015

Name of Entity/Sender: Consolidated Edison Company of New York, Inc., Orange & Rockland Utilities, Inc. & CEI Affiliates

Contact – Position/Office: _____

Address: 4 Irving Place, New York, NY 10003

Phone Number: _____

Only required to be completed if you wish to waive coverage with Con Edison or O&R

Medicare Part D Drug Plan Coverage

Name _____ Employee Number _____ Social Security Number _____

__ I wish to drop coverage from the Con Edison Drug Plan sponsored by CECONY or O&R because I will be enrolling in a Medicare Part D Drug Plan for January 1, 2016 or for some other reason. I understand that by choosing a Medicare Part D Drug Plan, I cannot participate in the Con Edison Drug Plan in January 2016, or ever again in the future. I also realize that once I subscribe to a Medicare Part D Drug Plan, I cannot return to the Con Edison Drug Plan in the future, even if I drop the Medicare Part D Drug Plan unless I can prove I had continuous creditable employer-provided group prescription drug coverage with no break in coverage, as described above. By signing below and electing out of the Con Edison Drug Plan sponsored by CECONY or O&R, I am electing out for 2016.

Signature _____ Date _____

__ I currently receive my prescription drugs under Medicaid.

Signature _____ Date _____

__ I have a dependent child or spouse who is covered by Medicare and is enrolling in a Medicare Part D Drug Plan. I authorize my employer to change my coverage category in the prescription portion of my drug plan.

Signature _____ Date _____ My Employer is _____

Please return forms to Con Edison, 4 Irving Place, Employee Benefits, 15th Floor South, and New York, NY 10003. Attn: Medicare Part D