

Medicare Part D - Creditable Coverage Notice

Important Notice from The ODP Corporation (“ODP”) About Your Prescription Drug Coverage and Medicare

IMPORTANT: The law requires us to notify all ODP benefits eligible associates who may fall into one of the following groups during 2025:

- Eligible for Medicare, or
- May have a spouse or dependent who is eligible for Medicare.

Receipt of this notice does not indicate that you are eligible for Medicare. Rather than risk missing any associates who fall into one of the above two groups, the notice is being provided to all associates who are eligible for ODP benefits. If you do not, or will not, fall into one of the above groups during 2025, this Prescription Drug Coverage and Medicare Notice does not apply to you.

Read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with ODP and 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 enrolling, you should compare your current coverage, including which drugs are covered and at what cost, with the coverage and costs of the 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 to know about your ODP coverage and Medicare prescription drug coverage:

1. Medicare 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 offer more coverage for a higher monthly premium.
2. ODP has determined that the prescription drug coverage offered by the ODP health care plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage. **This means that the prescription drug coverage offered by the ODP health care plan is Creditable Coverage.** Because ODP coverage is Creditable Coverage, you can keep ODP coverage and not pay a higher premium (a penalty) if you later decide to enroll a Medicare drug plan.

When Can You Join a Medicare Drug Plan? You can join a Medicare drug plan when you first become eligible for Medicare and each year from Oct. 15th through Dec. 7. However, if you lose your creditable drug coverage through no fault of your own, you will be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens to Your ODP Coverage If You Decide to Join a Medicare Drug Plan? Your coverage under the ODP health care plan will not be affected if you or your Medicare-eligible dependent joins a Medicare drug plan. In that situation, you will be covered by both ODP coverage and the Medicare drug plan.

However, if you decide to join a Medicare drug plan and drop your current coverage with ODP, you **will not** be able to re-enroll for coverage in the ODP health care plan until the next annual enrollment period, or if you experience a qualifying life event, if earlier. (You must also meet the current ODP eligibility rules when you re-enroll.) If you are a COBRA participant and you drop COBRA, you cannot re-enroll for COBRA coverage later.

Your current ODP health plan pays for medical expenses, in addition to prescription drugs. If you choose to drop

prescription drug coverage from ODP, you must also drop your medical coverage. Therefore, you should carefully compare your current coverage, including which drugs are covered, with the coverage and cost of the Medicare drug plan options in your area.

When Will You Pay a Higher Premium (Penalty) To Join a Medicare Drug Plan? You should know that if you drop or lose your coverage with ODP 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. 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 October to enroll.

For More Information About This Notice or ODP Prescription Drug Coverage

Contact the BenefitsTeam@theodpcorp.com for further information about this notice. **NOTE:** This notice will be provided each year by ODP. It will also be provided before the next period you can join a Medicare drug plan, or if your ODP drug coverage changes. You may access a copy of this notice from the *myBenefitsHub Resource Library*.

You should also be aware that the ODP plan requires you to enroll in Medicare Parts A and B when you are first eligible; however, this requirement does not apply to active associates. This is different coverage than a Medicare drug plan discussed in this Notice. Keep in mind, a penalty applies for late enrollments in Medicare Part B. If you enroll late, Medicare can apply this penalty for as long as you are enrolled in Part B. For more information about Medicare, visit www.medicare.gov or call 1-800-633-4227. If you are a COBRA participant, to the extent allowed by federal law, the ODP plan will always process your claims as secondary to Medicare Part A and B, regardless of whether you are enrolled in Medicare Part A and B.

For More Information About Your Options Under Medicare Prescription Drug Coverage

More detailed information about Medicare Prescription Drug Coverage is in the "Medicare & You" handbook. If you are eligible for Medicare, you will get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by companies offering Medicare Prescription Drug Coverage.

For more information about Medicare Prescription Drug Coverage:

- Visit www.medicare.gov.
- Call your State Health Insurance Assistance Program (see the copy of the "Medicare & You" handbook for their telephone number).
- 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. Information about this extra help is available from the Social Security Administration (SSA) online at www.socialsecurity.gov, or you may call them at 1-800-772-1213 (TTY 1-800-325-0778).

KEEP THIS CREDITABLE COVERAGE NOTICE.

If you decide to join a Medicare drug plan, you may be required to provide a copy of this notice when you join to show if you maintained creditable coverage, and whether or not you are required to pay a higher premium (a penalty).

Date: October 2025
Name of Sender: The ODP Corporation
Contact: BenefitsTeam@theodpcorp.com
Website: <https://ODP.bswift.com> (myBenefitsHub)