

November 5, 2008

NAME CASE_NUMBER
ADDRESS_1
CITY S_STATE_CODE ZIP

Dear Employer,

In 2003, Congress passed the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA). Effective January 1, 2006, this act created a new outpatient prescription drug benefit program for Medicare participants called Medicare Part D.

To assist you and your employees, Allied will be notifying your employees who are Medicare eligible (or have a Medicare eligible spouse) of their rights and obligations under the MMA. Specific information on the MMA can be found on the Medicare website at <http://www.medicare.gov/medicarerereform/drugbenefit.asp>.

The MMA requires that all employers provide information on their insured prescription drug benefit plans to Medicare eligible plan participants. You must disclose to these participants whether or not their current coverage is creditable prescription drug coverage. Creditable or non-creditable coverage determinations are important because it guides the Medicare eligible employee on the coverage decisions they must make under the MMA. Those with creditable coverage may enroll in Medicare Part D at a later date without penalty. Those with non-creditable coverage who elect NOT to enroll in Medicare Part D on a timely basis, will be subject to late entrant penalties if they enroll at a later date.

Attached is a sample of the required Notice that you must provide to all your Medicare eligible employees concerning their rights under the MMA. **This shows that your current plan is considered creditable coverage.** We hope this information will make it easier for you to comply with the requirements of the new MMA.

If you have any questions or concerns, please contact Allied Customer Service at 800-825-7531.

Sincerely,

ALLIED National