

**CREDITABLE COVERAGE DISCLOSURE NOTICE
TO RETIRED EMPLOYEES
Of
Consolidated Edison Company of New York, Inc.
Orange and Rockland Utilities, Inc.
And certain CEI Affiliates
For Calendar Year 2012**

Important Notice from Consolidated Edison Company of New York, Inc.,
Orange and Rockland Utilities, Inc., and CEI Affiliates About Your Prescription Drug
Coverage and Medicare

Please note that this notice only pertains to you if:

- You are Medicare eligible (age 65 and older or considered disabled by the Social Security Administration) and currently covered or eligible for coverage under one of the health plans sponsored by CECONY or O&R for active employees; or
- You have a dependent spouse/same-sex domestic partner or child who is covered by Medicare or Medicaid and who is currently covered or eligible for coverage under one of the health plans sponsored by CECONY or O&R for active employees.

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, O&R or a CEI Affiliate, and about your options under Medicare's prescription drug coverage. This information can help you decide whether you want to join a Medicare drug plan. If you are considering joining a Medicare plan, you should compare your current coverage, including which drugs are covered at what cost, with the coverage 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.

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 drug plans may offer more coverage for a higher monthly premium.

CECONY and O&R have determined that their respective prescription drug coverages 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.

- You can join a Medicare drug plan when you first become eligible for Medicare, and each year from October 15 through December 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.
- If you elect a prescription drug plan sponsored by CECONY or O&R for 2012, you will have creditable coverage and you can choose to delay enrollment in a Medicare 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 Medicare drug plan at a later date.
- If you decide to join a Medicare drug plan, your current coverage under the prescription drug plan sponsored by CECONY or O&R will be affected. **If you enroll, or your dependent enrolls, in a Medicare drug plan for the 2012 calendar year, you or your dependent cannot maintain coverage in the prescription drug plan sponsored by CECONY or O&R, and must drop coverage under the prescription drug plan sponsored by CECONY or O&R. To drop coverage for yourself or your dependent, fill out the appropriate portion of the form on page 4. You will not be able to re-enroll in the prescription drug plan sponsored by CECONY or O&R in 2012, or in the future.**
 1. If you drop or lose your current coverage under a prescription drug plan sponsored by CECONY or O&R 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.
 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. NOTE: You will receive this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage changes. 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 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 one of the Medicare drug plans, 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 prescription drug plan sponsored by CECONY or O&R because you want to enroll in Medicare prescription drug coverage, fill out the form on page 4 and send it to Employee Benefits. Remember that you cannot elect coverage in the prescription drug plan sponsored by CECONY or O&R if you elect Medicare prescription drug coverage. You will 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, 2011
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 Prescription Drug Plan Coverage

Name _____ Employee Number _____ Social Security Number _____

___ I wish to drop coverage from the prescription drug plan sponsored by CECONY or O&R because I will be enrolling in Medicare prescription drug coverage for January 1, 2012. I understand that by choosing Medicare prescription drug coverage, I cannot participate in the prescription drug plan sponsored by CECONY or O&R in January 2012, or again in the future. I also realize that once I subscribe in a Medicare prescription drug plan, I cannot return to the prescription drug plan sponsored by CECONY or O&R in the future, even if I drop the Medicare prescription drug plan. By signing below and electing out of the prescription drug plan sponsored by CECONY or O&R, I am electing out for 2012.

Signature _____ Date _____

___ I currently receive my prescription drugs under Medicaid.

Signature _____ Date _____

___ I have a dependent child/spouse/same-sex domestic partner who is covered by Medicare and is enrolling in Medicare prescription drug coverage. 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