



**CREDITABLE COVERAGE DISCLOSURE NOTICE
For Calendar Year 2009**

To Retirees, Spouses, Same-Sex Domestic Partners, Surviving Spouses, and Dependents Who Are Covered Under the Consolidated Edison Retiree Prescription Drug Plan

Important Notice from Consolidated Edison Company of New York, Inc.
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 Con Edison 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 Con Edison 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 Con Edison 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. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

Effective January 1, 2006, the federal government began sponsoring a prescription drug program for individuals participating in Medicare Parts A and B called Medicare Part D. You can get this coverage if you join a Medicare Prescription Drug Plan or a Medicare Advantage Plan, such as a HMO or PPO that offers prescription drug coverage. All Medicare Drug Plans provide a standard level of coverage set by Medicare. Some plans may offer more coverage for a higher monthly premium.

Con Edison, as required by Medicare Part D guidelines, is notifying all participants in the Con Edison Prescription Drug Plan (Con Edison Drug Plan) that the benefits provided under the Con Edison Drug Plan are, on average, expected to pay out as much as the standard Medicare prescription drug coverage. Coverage under another prescription drug plan, such as the Con Edison Drug Plan, that is, on average, expected to pay out as much as the standard Medicare prescription drug coverage will pay under Medicare Part D is known as "Creditable Coverage."

Because your existing coverage is on average at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a higher premium or penalty if you later decide to join a Medicare drug plan.

- Enrollment for Medicare Part D for the 2009 calendar year begins November 15, 2008 and runs through December 31, 2008. If you elect the Con Edison Drug Plan for 2009, you will have Creditable Coverage and you can choose to delay enrollment in Medicare Part D without paying a Medicare Part D

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 Medicare Part D at a later date. Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare. If you leave employment during the year, you may be eligible for a Special Enrollment Period to sign up for a Medicare prescription drug plan.

- If you decide to join a Medicare drug plan, your Con Edison coverage will be affected. See below for more information about what happens to your current coverage if you join a Medicare drug plan.
 1. If you enroll or your dependent enrolls in Medicare Part D for the 2009 calendar year, you or your dependent cannot maintain coverage in a 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 3. You will not be able to re-enroll in the Con Edison Drug Plan in the future.
 2. If you decide to join a Medicare drug plan and drop your Con Edison prescription drug coverage, be aware that you and your dependents may not be able to get the Con Edison prescription drug coverage back.
 3. If you drop or lose your coverage with Con Edison and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium to join a Medicare drug plan later.
 4. Under the Medicare rules, if you go 63 continuous days or longer without any prescription drug coverage that's at least as good as Medicare's prescription drug coverage, and then elect to participate in a Medicare Part D plan, your monthly Medicare Part D premium may go up at least 1% per month of the base beneficiary premium per month for every month that you did not have any prescription drug coverage. For example, if you go 19 months without prescription drug coverage, your premium will always be at least 19% higher than the base beneficiary premium. You may have to pay this higher premium as long as you have Medicare Part D coverage. In addition, you may have to wait until next November to enroll.

For more information about this notice or your current prescription drug coverage, call Employee Benefits at 1-800-582-5056. NOTE: You will receive this notice annually and at other times in the future, for example during the next enrollment period for Medicare Part D or if this coverage changes. You may request a copy of this notice at any time.

For more information about your options under Medicare Part D, call 1-800-MEDICARE (633-4227) or visit their web site at www.medicare.gov. If you have limited income and resources, call Social Security at 1-800-772-1213 or visit their web site at www.socialsecurity.gov (TTY 1-877 -486- 2048).

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 the new Medicare Part D program, fill out the form on page 3 and send it to Employee Benefits. Remember that you cannot elect coverage in the Con Edison Drug Plan if you elect Medicare Part D. You will still be eligible to enroll in Con Edison's health benefits (medical, hospital, dental, and vision) if you choose to enroll in Medicare Part D.

Medicare Part D Prescription Drug Plan Coverage

Name _____ Employee Number _____ Social Security Number _____

__ I wish to drop coverage from the Con Edison Prescription Drug Plan because I will be enrolling in Medicare Part D for January 1, 2009. I understand that by choosing Medicare Part D I cannot participate in the Con Edison Prescription Drug Plan in January 2009.

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 Part D. I authorize Con Edison to change my coverage category in the prescription portion of the Con Edison Prescription Drug Plan.

Signature _____ Date _____

Please return forms to Con Edison, 4 Irving Place, Employee Benefits, Room 1141-S, New York, NY 10003, Attn: Medicare Part D