

# CLIENT ALERT

Brought to you by:



**Open Enrollment for Medicare D starts November 15th**  
**Employers have an obligation to every Medicare eligible participant regarding the creditability of their Prescription Drug Plan.**  
**Make sure you know your obligations.....**

## **TIMING OF CREDITABLE COVERAGE DISCLOSURE**

The Centers for Medicare and Medicaid (CMS) have specified in Regulation 43 CFR 423.56(f) when you must provide disclosure of creditable coverage to Medicare D eligible individuals. At a minimum, disclosure must be made at the following times:

1. Prior to the Medicare Part D Annual Coordinated Election Period (ACEP) that begins each November 15th and ends each December 31st of the year.
2. Prior to an individual's Initial Enrollment Period (IEP) for Part D, as described under 423.38(a)
3. Prior to the effective date of coverage for any Medicare eligible individual that joins the plan
4. Whenever the Prescription Drug Plan ends or changes so that it is no longer creditable or becomes creditable
5. Upon the request of a beneficiary.

If the Notice is provided to all plan participants annually, CMS will consider items 1 and 2 to be met.

"Prior to" is clarified to mean within the past 12 months

## **WHAT DOES ALL THIS MEAN TO YOU?**

It means that prior to November 15<sup>th</sup>, you need to notify all of your plan participants who are eligible for Medicare Part D if your plan is Creditable or Non-Creditable.

**We suggest that you mail a notification to all participants' homes at this time.** This will meet your obligations for Numbers 1 and 2 above. You may chose to send the notice to only those that are Medicare Eligible at this time. However, keep in mind that you may not be aware of a spouse or child that is eligible for Medicare due to a disability. If you only send the notice to those eligible now, you will have to track each participant's Initial Enrollment Period throughout the year.

We have included in this e-mail a sample Disclosure Notice for Creditable Coverage. Note that language highlighted in YELLOW was added by CHB Group. This is variable language and may be changed by you. If you chose to use this notice, you will need to add your employer information. Also please refer to the highlighted variable wording. This wording should be reviewed and changed to meet your company's policies. The paragraph which begins RECOMMENDED INSERT should be deleted. We have included it for your review.

You may review the model notices provided by CMS at their website:

**[https://www.cms.gov/CreditableCoverage/08\\_CCafterJanuary1.asp#TopOfPage](https://www.cms.gov/CreditableCoverage/08_CCafterJanuary1.asp#TopOfPage)**

Notices on this website are also provided in Spanish

If you believe your plan is Not Creditable or you are not sure, please call our office.

*Disclaimer:*

*This notification and its attachments are not meant to advise you of your entire obligations under Medicare D, or to serve as legal advice. If you would like more complete information, please do not hesitate to contact our office or your attorney.*