

CLIENT ALERT

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Open Enrollment for Medicare D starts November 15th 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 15th, you need to notify all 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 choose 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 enclosed a sample Disclosure Notice for Creditable Coverage. If you chose to use this notice, you will need to add your employer information as well as refer to the variable wording on page 2. 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: http://www.cms.hhs.gov/CreditableCoverage/02_CCafterMay15.asp#TopOfPage

We have also included a sample Personalized Notice for those times when a beneficiary requests a notice.

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, nor to serve as legal advice. If you would like more complete information, please do not hesitate to contact our office or your attorney.