

REMINDER! – UPCOMING DEADLINE FOR MEDICARE PART D NOTICES

The November 15th Medicare Part D creditable coverage notice deadline will soon be upon us. You may have already provided Medicare Part D notices to your employees for this year. If you have not provided the notice, you will want to do so before the November 15 deadline.

As a reminder, you are required to notify your Medicare eligible participants (including employees and COBRA qualified beneficiaries) and their Medicare eligible dependents as to whether prescription drug coverage under the group health plan is “creditable” or “non-creditable” for purposes of Medicare Part D. Because you may not know whether the participant (or spouse or dependent) is eligible for Medicare, we recommend sending the notice to all covered plan participants.

There are five times that a notice of creditable coverage must be made to Part D eligible employees:

1. Prior to the Medicare Part D Annual Coordinated Election Period beginning November 15th each year;
2. Prior to an individual’s Initial Enrollment Period for Part D;
3. Prior to the effective date of coverage for any Medicare Eligible individual that joins the plan;
4. Whenever the employer no longer offers or the employer changes prescription drug coverage so that is no longer creditable or becomes creditable; and
5. Upon request by the beneficiary.

The Centers for Medicare and Medicaid Services (CMS) considers items 1 and 2 met if the creditable disclosure notice is provided to all plan participants **prior to November 15th**. CMS guidance indicates that “prior to” means the individual must have been provided the disclosure notice within the past 12 months.

The notice may be sent via first class mail to the home of the participant and covered dependents. If a covered eligible dependent resides at another address, the employer should send the notice to their last known address.

Employers with employees who have worksite electronic access may send the creditable/non-creditable coverage disclosure notice electronically to plan participants. Worksite access means the individual must have the ability to access electronic documents at their regular place of work as a daily part of their work duties. Employers electing this option must inform plan participants that the **participant is responsible for providing a copy of the electronic disclosure to their Medicare eligible dependents** covered by the group health plan. No separate mailing to the spouse/dependents will be required.

For employers with employees without worksite access, we recommend you continue to mail the notice, as it is less burdensome than the non-worksite access requirements for electronic delivery.¹ Most COBRA qualified beneficiaries (unless they retain worksite access to the employer's system) should be notified via mail.

The model creditable and non-creditable coverage notices provided by CMS are available at http://www.cms.hhs.gov/CreditableCoverage/09_CCAfterJune15.asp#TopOfPage. Additional information may be obtained at www.cms.hhs.gov/creditablecoverage, or by contacting your client service team.

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¹ Employees with no Worksite Access must provide consent to receive information electronically (this applies also to COBRA qualified beneficiaries)

Before individuals agree to receive their information via electronic means, they must be:

- informed of their right to obtain a paper version,
- how to withdraw their consent,
- how to update address information, and
- be advised of any hardware or software requirements needed to access and retain the creditable coverage disclosure

Individual Consent

- Provide a valid e-mail address must be provided to the employer and consent must be provided electronically
- Employer must post the notice on the entity's website, with a link to the creditable coverage disclosure notice on the entity's home page