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# Compliance Bulletin

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## MEDICARE PART D REQUIREMENTS

The November 15<sup>th</sup> 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:

- Prior to **November 15** each year
- Prior to an individual’s Initial Enrollment Period for Part D
- Prior to the effective date of coverage for any Medicare eligible individual under the plan
- Whenever prescription drug coverage ends or changes so that it is no longer creditable or it becomes creditable
- Upon a beneficiary’s request

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 15<sup>th</sup>**. CMS guidance indicates that “prior to” means the individual must have been provided the disclosure notice within the past 12 months. If you have not already done so, now is a good time to send out those notices.

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. A copy should also be posted on the plan's Web site (if applicable). For individuals without work-site access delivery by mail is generally appropriate, as the non-worksite access rules pose additional burdens on employers.

Attached to this email is a detailed summary of the Medicare Part D requirements and copies of the model creditable and non-creditable coverage notices provided by CMS. We have highlighted the areas that need to be completed. Additional information may be obtained at [www.cms.hhs.gov/creditablecoverage](http://www.cms.hhs.gov/creditablecoverage), or by contacting your USI client service team.

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