

To: All Employer Groups
Medicare Part D Notice

Medicare Requires employers who provide prescription drug coverage to issue "Creditable Coverage Notices" annually to all Medicare Part-D eligibles. (This includes both active employees and retirees) and those who become eligible during the year.

Creditable prescription coverage is prescription coverage which provides benefits which are determined to be equal to or greater than the benefits provided under the standard Medicare prescription drug plan designs.

Guidance for employers regarding the Medicare Part D program is provided by CMS (Centers for Medicare/Medicaid Services).

Timing for notification is dependant upon prior disclosures. In order to ensure compliance with this regulation, we suggest that all employers take the following actions:

Prior to November 15, 2008:

Provide all Medicare Eligible individuals (active employees, dependants, retirees and COBRA), with notice as to whether or not your plan is creditable.

Most prescription drug plans offered by commercial carrier, both fully insured and self-insured, will be creditable. If you are not sure of your specific plan, you can review the determination at CMS, by choosing – Creditable Coverage Simplified Determination from the link below.

Important Links:

Medicare Model Notice (letters of creditable or non-creditable coverage)/Creditable Coverage Simplified Determination

<https://www.cms.hhs.gov/CreditableCoverage/>

CMS Online Disclosure

https://www.cms.hhs.gov/CreditableCoverage/45_CCDisclosureForm.asp

In order to process your online disclosure you will need the following information:

- Employer Tax ID Number
- Health Plan Policy Year Effective Date
- Estimated number of Medicare Part D eligibles in the Health Plan
- Estimated number of covered Retirees
- Date of most recent notice of creditable/non-creditable coverage was provided to Part D eligibles.

Moving forward, we suggest the following, within 60 days of your policy renewal/effective date, provide notice to your Medicare eligible members. Notify CMS by going to their CMS Online Disclosure site. Throughout the year, if someone becomes Medicare Eligible, you must provide him or her a notice at that time.

Should you have any questions, please don't hesitate to contact your representative at Group Health Solutions Inc.