

Medicare Part D creditable coverage disclosure notification

Employers providing drug coverage as part of a group health benefit plan (ERISA and non-ERISA) are required by law to inform all Medicare-eligible active employees, retirees, and their dependents (including disabled persons) if their current drug plan provides creditable coverage or non-creditable coverage annually prior to October 15. Blue Cross and Blue Shield of Minnesota has determined whether the plans they offer are creditable or non-creditable. Nearly all the drug plans are creditable. Blue Cross and Blue Shield of Minnesota has reviewed your employer-sponsored prescription drug coverage currently in effect and determined that your coverage has **both creditable and non-creditable** subgroups or is **non-creditable**.

In late September, notifications on behalf of our fully insured employers will be mailed out to all members with creditable coverage ages 65 and over and members with non-creditable coverage ages 55 and over. We will also send letters to members who are younger than these ages who have reported Medicare coverage on the basis of disability. The letter will advise members whether their existing prescription drug coverage is creditable or non-creditable. Blue Cross does not require notification of disability status. Therefore, employers must notify all disabled employees and dependents of the creditable or non-creditable status of their prescription drug coverage.

Content of creditable or non-creditable coverage disclosures to Medicare-eligible plan members

The disclosure notice to Medicare-eligible members of your employer plan will provide the following information:

1. Official notification that their prescription drug coverage is creditable or non-creditable
2. Inform Medicare-eligible members that they can retain their existing coverage and choose not to enroll in a Part D plan
3. The meaning of creditable coverage, that is, that the amount employer plan coverage expects to pay on average for prescription drugs for covered individuals in 2023 is the same or more than what standard Medicare prescription drug coverage would be expected to pay on average

OR

4. The meaning of non-creditable coverage, that is, that the amount employer plan coverage expects to pay on average for prescription drugs for covered individuals in 2023 is less than what standard Medicare prescription drug coverage would be expected to pay on average
5. An explanation of why creditable coverage is important and a caution that even though coverage is creditable, the person could be subject to higher Part D premiums if he/she subsequently has a break in creditable coverage for 63 days or more before enrolling in a Part D plan

6. An explanation of a beneficiary's right to notice, that is, when a beneficiary can expect to receive a notice and the times that a beneficiary can request a copy of the notice. At a minimum, disclosure must be made for any of the following reasons:
- Prior to the Medicare Part D Annual Coordinated Election Period running from October 15 through December 7, 2023.
 - Prior to an individual's Initial Enrollment Period for Part D
 - Prior to the effective date of coverage for any Medicare-eligible individual who joins the plan
 - Whenever prescription drug coverage ends or changes, so it is no longer creditable or becomes creditable
 - Upon request
 - Upon termination of coverage

You can find the templates on our website. Simply go to **employers.bluecrossmn.com**, in the Employer Portal box, click on the hyperlink see forms here, click on the + in the Medicare blue box and the letter hyperlinks will appear for you to access.

It is the responsibility of the employer to disclose to the Centers of Medicare & Medicaid Services (CMS) the creditable/non-creditable status of their existing prescription drug coverage.