September 28, 2017

Medicare Part D Notices Due Before October 15

Group health plan sponsors that provide prescription drug coverage are required to notify Medicare Part D eligible individuals whether such coverage is creditable coverage, which means that the coverage is expected to pay on average as much as the standard Medicare prescription drug coverage. For these purposes, group health plans include health plans as defined under ERISA, including certain account-based medical plans, as well as group health plans sponsored for employees or retirees by unions, churches, and federal, state or local governments. This written disclosure notice must be provided annually, prior to October 15th each year, and at various other times as required under the law. Model notices are available from the Centers for Medicare & Medicaid Services (CMS). See our Update for more information on this important requirement.

Sponsors are also required to complete an online disclosure to CMS to report the creditable coverage status of their prescription drug plans. This disclosure is also required annually, no later than 60 days from the beginning of a plan year, and at certain other times.

For a list of entities subject to the Medicare D disclosure requirement, see CMS' Entities Required To Provide Disclosure To All Medicare Eligible Individuals. All size employers offering prescription drug benefits are subject to these rules as there is no exception for small employers. See the CMS Creditable Coverage web page for general Part D notice guidance for employer and union-sponsored plans.

Should you have questions about this or any aspect of group health plan requirements, contact your Conner Strong & Buckelew account representative toll free at 1-877-861-3220. For a complete list of Legislative Updates issued by Conner Strong & Buckelew, visit our online Resource Center.

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