

Date

Client Contact

Client Name

Client Address

City, State, Zip code

**Re: Creditable Coverage Notification to CMS and Medicare Part D Eligible Individuals**

Dear Client Contact:

As a reminder, CMS (Centers for Medicare & Medicaid Services) regulation requires group health plans to provide disclosure of creditable coverage to CMS within 60 days following the start of the plan year (July 1). It is important to note that in addition to providing disclosure on the CMS website, you are also required to provide notice of creditable coverage to Medicare Part D eligible individuals by October 15, 2024, so they can make informed decisions regarding enrollment in the most suitable plan for their needs.

**Creditable Coverage Disclosure from Entity to CMS**

If you offer a group health plan and are employers, unions/Taft-Hartley plans, church, Federal, state, and local governments, or other group-sponsored plans – you are required to provide a disclosure to CMS.

The CMS regulation requires all entities described above to disclose to CMS whether the prescription drug coverage that is offered to Medicare Part D eligible individual(s) is creditable or non-creditable.

**Timing of Creditable Coverage Disclosure to CMS**

CMS requires plan sponsors to provide disclosure of creditable coverage to CMS within 60 days after the beginning of the renewal date. Please visit the CMS creditable coverage disclosure web page at

<https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/index.html>

and scroll down to “Disclosure to CMS Form” located under Creditable Coverage summaries on the left.

### **Notification to Medicare Part D Eligible Individuals**

The MMA imposes a late enrollment penalty on individuals who do not maintain creditable coverage for any period of 63 days or longer following their initial enrollment period for the Medicare prescription drug benefits.

Plan sponsors must provide this information and communicate effectively with their Medicare eligible policyholders to ensure that they make informed and timely enrollment decisions. The regulations generally states that disclosures must be provided at a minimum:

- Prior to an individual's initial enrollment period for the Medicare prescription drug benefit.
- Prior to the effective date of enrolling in the sponsor's plan and upon any change that affects whether the coverage is creditable.
- Prior to the commencement of the annual coordinated election period that begins on October 15 of each year; and...
- Upon beneficiary request.

An individual creditable coverage disclosure notice template has been attached for your reference. We recommend individual creditable coverage disclosure notices be sent to all plan members regardless of their Medicare eligibility status. A guide to the disclosure requirements has also been attached for your use.

#### **Attachments:**

- **Model CMS Creditable Coverage Notice in English and Spanish**
- **Creditable Coverage Disclosure to CMS--Guidance**

If you have any questions or comments regarding this matter, please contact me at xxx-xxx-xxxx ext. XXXX for assistance.

Regards,

**Name**  
**Consultant**