



## REMINDER: Medicare Part D Creditable Coverage Notice Due by October 14

SEPTEMBER 19, 2017

Plan sponsors must send out a notice of creditable or non-creditable coverage to all Medicare-eligible individuals covered under or eligible to enroll in an employer group health plan. The creditable coverage notice tells individuals whether the prescription drug coverage they receive under their employer's health plan is expected to pay, on average, as much as the standard Medicare prescription drug coverage. If the employer's plan is "creditable," the individual can delay enrollment in a Medicare Part D prescription drug plan without penalty while he or she is covered under the employer's creditable plan. However, if the employer's plan is not, on average, as generous as standard Medicare prescription drug coverage ("non-creditable"), an individual should consider enrolling in a Part D plan in order to avoid late enrollment penalties. This notice requirement applies to any employer group health plan that provides prescription drug coverage, including active and retiree medical plans and health reimbursement arrangements (HRAs), but does not apply to health flexible spending accounts (FSAs).

Plan sponsors must provide a creditable or non-creditable coverage notice to Medicare-eligible individuals at least once per year prior to enrollment in the employer's group health plan and prior to the Medicare Part D annual election period, which starts on October 15. A plan sponsor may satisfy this notice obligation by sending an annual Medicare Part D notice to all plan participants (whether or not currently eligible for or enrolled in Medicare) prior to October 15 of each year. A plan sponsor may send out the notice of creditable or non-creditable coverage with open enrollment materials or other plan participant communications, but the notice must be prominent and conspicuous (e.g., the notice should be referenced in at least 14-point font in a separate box, bolded, or offset on the first page of the combined communication).

Model creditable and non-creditable coverage notices are available through the [Centers for Medicare & Medicaid Services \(CMS\) website](#).

1 Min Read

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