



CLIENT ADVISORY NOTICE

From the desk of

BRIAN OUELLETTE, CLIENT SERVICES MANAGER

Subject: Notification – Medicare Creditable Coverage Status

The October 15, 2017 deadline is fast approaching for employer groups to provide the disclosure notification to all eligible members regarding Medicare Creditable Coverage status of their group health plans. If your current group health plan offers a prescription benefit, it must be disclosed to your benefit eligible employees, Medicare eligible COBRA individuals, and their potential dependents who are Medicare eligible. By definition, Medicare Creditable Coverage status is defined as whether the employer's offered prescription drug coverage is expected to pay on average as much as the standard Medicare prescription drug coverage offered. It is important that employers notify all eligible members prior to October 14, 2017 to allow the opportunity to enroll into Medicare Part D. The Medicare Part D enrollment window is October 15th through December 7th.

Employers have two responsibilities in disclosing whether your current group prescription benefit meets Medicare Creditable Coverage:

First, employers must disclose, in writing, to their benefit *eligible* employees who are age 65 or who will be turning 65, whether the plan or plans offered meets Medicare Creditable Coverage.

- This notice must be provided no later than **October 15, 2017**. (*You can [download a model notice](#) letter from the Centers for Medicare and Medicaid website; however, we have also included a non-PDF version of the notice for plans that meets creditable coverage for your convenience*).
- To ensure that all eligible Medicare dependents are covered, Clark & Lavey recommends these notices be sent to all benefit eligible employees, COBRA eligible individuals, and dependents regardless of age.

Second, employers should also complete an [online disclosure form](#) to the Centers for Medicare and Medicaid that reports the creditable coverage status of the group's prescription coverage. This typically is done within 60 days of the plan/contract year (renewal) or within 30 days after any change in creditable coverage status.

Clark & Lavey is available to help to ensure that you are meeting all the necessary guidelines and expectations. If you have any questions, please contact your Broker, Account Representative or myself. We will be happy to assist you!

Thank you!