

## CMS Online Certification Update from **VSBIT**

### **About Disclosure to CMS - Medicare Part D Creditable Drug Coverage**

Medicare Part D is a voluntary prescription drug benefit available to Medicare-eligible individuals. Like Medicare Part B coverage, eligible individuals are required to elect it and pay a monthly premium for the coverage. Also like Part B, individuals can delay enrollment if they are enrolled in a creditable prescription drug plan that is comparable to Medicare Part D coverage without a late enrollment penalty. For this reason, the Medicare Part D notice requirements are vital.

To assist these Medicare-eligible individuals in making an informed choice about their health plan elections, plan sponsors offering group health plan coverage including out-patient prescription drug coverage have specific disclosure and notice requirements. At least annually, plan sponsors must disclose information to the Centers for Medicare and Medicaid Services (CMS) to allow CMS to know when an individual is subject to the Part D late-enrollment penalty. Further, the plan sponsor must provide notices to plan participants eligible for Part D to allow them to make an informed decision about the coverage in which they intend to enroll.

The information that follows provides the fundamentals of disclosing the required information to CMS via the CMS online disclosure web site. [Links are provided below.](#)

**Note:** This disclosure is required whether the coverage provided is primary or secondary to Medicare.

### **Disclosure to CMS Guidance and Instructions - Medicare Part D Creditable Coverage**

At least annually, group health plan sponsors providing prescription drug coverage to Medicare Part D eligible individuals must disclose to the CMS whether the prescription drug coverage offered is creditable or non-creditable. All VEHI plans meet the creditable coverage requirements and each school must file an online annual disclosure with CMS by August 30.

This online filing requirement applies not only to retiree health plans but to employer-sponsored plans extended to active employees and their covered spouses or other dependents who are Medicare-eligible. Plan sponsors that applied and were accepted for the Retiree Drug Subsidy (RDS) are exempt from filing the Disclosure to CMS Form only for the individuals and the plan options for which they are claiming the RDS.

The online submission process is in addition to the annual disclosure Notice that must be distributed to all Medicare-eligible individuals prior to October 15 every year, which is the beginning of the Medicare annual enrollment period.

### **Submission of Annual Online Disclosure to CMS:**

A plan sponsor is required to provide an annual disclosure notice to CMS through completion of the Creditable Coverage Disclosure Form (Form CMS-10198) for the current plan year whether the prescription drug coverage is creditable. CMS defines a plan year as the beginning and ending date of the entity's annual renewal or contract period. All VEHI plans are renewed with an effective date of July 1 and any benefit offerings and determinations regarding whether or not coverage is creditable are made at that time. Therefore, for VEHI-plans, the online disclosure, confirming creditable coverage status, should be submitted between July 1 and August 30 each year. If a change in creditable coverage status is made (for instance, if creditable status were lost), a subsequent disclosure must be made to CMS within 30 days of the change.

For all VEHI plans, it is anticipated that each school will only file one submission each year, by no later than August 30.

This is the sole method for complying with the CMS disclosure requirement unless the plan sponsor does not have Internet access. A high-level overview of the submission process is provided below. Screen shots of the form, verification process and confirmation are also attached. The complete manual and form is available at:

<https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/Downloads/CreditableCoverageDisclosureUserManual05292012.pdf> and <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/CCDisclosureForm.html>.

### **High-level Overview of Submission Process:**

The submission process can be broken down into three steps.

First, complete Boxes A, B, and E. Second, verify and submit the information. Third, obtain a confirmation.

#### **Step One:**

As Part of Box A, each school must enter/identify:

- the plan sponsor (the school's name);
- the school's federal tax identification number;
- a street address;
- the type of coverage (employer-sponsored group health plan coverage);
- the total number of prescription drug options offered by the school; and
- the creditable coverage status (all VEHI plans meet the creditable coverage requirement).

Choose continue to proceed.

As Part of Box B, each school must provide:

- the period covered by the Disclosure Notice (for example 07/01/20XX to 06/30/20XX);
- the number of Part D eligible individuals expected to be covered under the Plan(s) beginning date of the plan year (this is an estimate as of July 1 and will require communication with any appropriate vendors);
- the estimated number of individuals expected to be covered through a retiree plan (this is an estimate as of July 1 and will require communication with any appropriate vendors);
- the latest calendar date when a Disclosure Notice was provided to Medicare-eligible individuals (generally required prior to October 15);
- a change in creditable coverage status, including termination, if applicable; and
- the total number of options that are creditable or non-creditable.

Choose continue to proceed.

As Part of Box E, each school must provide:

- the name, title, and email address of the school's authorized individual; and
- the date of disclosure to CMS.

Choose continue to proceed.

**Step Two:**

Review and confirm the data. Select "Submit Disclosure" or "Go Back to Edit Information" if required.

**Step Three:**

After submission, if all data is entered correctly, you will receive the following message: "Thank you! Your disclosure to CMS form has been submitted successfully to CMS. Please print a copy of this confirmation page for your records."

Print a copy for your records. Technical help is available through CMS at 1-877-243-1285.