

**Medicare Part D Creditable Coverage Disclosure Notice
For Plan Participants (Active)
Instructions for Sample Notice**

At age 65, most individuals become eligible to apply for Medicare coverage. If the individual is also covered by an employer-sponsored group health plan and intends to continue working after age 65, the individual can elect to postpone applying for one or more of the 'Parts' of Medicare. In most cases delaying enrollment in Medicare while covered by an employer-sponsored group health plan will not result in the individual being assessed a penalty for not enrolling when first eligible. However, the rules relating to Medicare Part D, prescription drug coverage, require the employer group health plan coverage in which the individual is enrolled provide a benefit that is at least as rich as standard Medicare Part D coverage. If the plan meets that minimum level of coverage, it is referred to as '*creditable coverage*'.

To ensure the Medicare-eligible individuals enrolled in the employer group health plan know if the level of coverage provided meets the requirements to be considered creditable coverage, employers must provide notices disclosing this information to the employees and dependents covered under the plan. The notice must be provided:

1. Prior to the effective date of coverage for any Medicare eligible individual that joins the plan;
2. Prior to an individual's Initial Enrollment Period for Part D;
3. Prior to the Medicare Part D Annual Coordinated Election Period, which runs from October 15th through December 7th of each year (i.e. by October 14th);
4. Whenever prescription drug coverage ends or changes so that it is no longer creditable or becomes creditable; and
5. Upon a beneficiary's request.

To ensure the notice is provided to the required individuals on a timely basis, it may be practical to provide the disclosure to all plan participants annually, prior to October 15 as well as to all new hires prior to initial enrollment in the group health plan.

All VEHI plan options provide creditable coverage. Thus, all Districts can use the model creditable coverage notice made available by the Centers for Medicare & Medicaid Services (CMS). However, because the notice is used by many different entities completing the model notice can be difficult. The attached sample notice has been completed for use by Districts offering the VEHI health plan options to actively employed employees and their dependents.

The sample notice has been completed for use with employees enrolled in coverage as active employees (rather than as a retiree).

Information for completing the Notice

1

Enter the name of the entity providing the employee the health plan coverage.

2

The name of a contact person to serve as the alternative contact person named at the end of the notice.

3

The telephone number of the alternative contact person from #2 above. This should be provided even if the telephone number is the same as the telephone number listed at the end of the notice.

4

The employer can elect to provide the specific date(s) creditable coverage was provided to each specific employee. Having this information can make it easier for the employee (and dependents, if applicable) to apply for Medicare Part D coverage after age 65 without penalty.

5

This required section must contain the:

1. Date the notice was prepared
2. Employer's name
3. Contact - need not be a specific individual; can be a position or department/office
4. Full mailing address of the employer
5. Telephone number for the contact listed in #3