

MEDICARE PART D COVERAGE NOTICES DUE MID-OCTOBER

The October 14, 2022 deadline by which plan sponsors that offer prescription drug coverage to provide notices of creditable or non-creditable coverage to Medicare-eligible individuals is fast approaching. Coverage that is deemed creditable is expected to cover, on average, at least as much as the standard Medicare Part D prescription drug plan, whereas non-creditable coverage falls below this threshold.

Plan sponsors are required to provide such notices to the following individuals by the October 14th deadline:

- Retirees and their dependents
- Active employees who qualify for Medicare and their dependents
- COBRA participants who qualify for Medicare and their dependents

The Medicare Part D annual enrollment period begins October 15 and runs through December 7 for coverage that will begin on January 1, 2023. Prior to the enrollment period, plan sponsors must specify whether an individual's prescription drug coverage is creditable or non-creditable. The annual deadline to provide coverage notices applies to all plans that offer prescription drug coverage, regardless of plan size, employer size, or grandfathered status. Plan sponsors can provide the required notice along with annual enrollment materials as long as the notice is "prominent and conspicuous." This can be as a separate mailing or provided electronically if the participants have daily access to the plan sponsor's electronic information system as part of their work duties.

If the notices are mailed to participants, a single notice can be provided to a covered Medicare individual and their dependents, unless it is known that a spouse or dependent resides at a different address than the participant. CMS has provided [model notices](#) on their website; plan sponsors should carefully review and customize these notices to ensure they accurately reflect plan provisions. In addition to providing Medicare-eligible individuals with annual notices of prescription drug coverage status, all plan sponsors are responsible for disclosing whether such plan is creditable or non-creditable to the Centers for Medicare and Medicaid Services (CMS). The plan sponsor has 60 days after the beginning of each plan year to complete the Creditable Coverage Disclosure Form on the CMS Creditable Coverage website.

Please note that MZQ Consulting automatically provides the required Medicare D notices to all clients using our Compass or Compass Plus products.