

COMPLIANCE ALERT

DEADLINE NEARS FOR SUBMISSION OF CREDITABLE COVERAGE DISCLOSURES TO CMS

As part of the disclosure requirements under Medicare Part D, employer-sponsored group health plans, Taft-Hartley plans, Church plans, Federal, State and Local government plans that offer prescription drug coverage to Part D-eligible individuals are required to submit an electronic Disclosure Notice to the Centers for Medicare & Medicaid Services (CMS) on an annual basis. This disclosure requirement applies when a health plan provides prescription drug coverage to individuals who are eligible for coverage under Medicare Part D. A plan sponsor who has been approved for the Retiree Drug Subsidy is exempt from filing the disclosure notice to CMS.

This annual notice provides CMS with current information regarding the plan's creditable or non-creditable coverage status. Highlights of the CMS Disclosure Notice requirements are outlined below.

TIMING OF DISCLOSURE NOTICE

A plan sponsor must submit a new disclosure to CMS no later than 60 days after the beginning of each plan year. – i.e., by March 1 for calendar year plans.

FILING DEADLINES FOR CHANGES

In addition, a new Disclosure Notice must be filed with CMS during the plan year if any prescription drug coverage change affects the plan's creditable status.

- Within 30 days after the termination of the prescription drug plan
- Within 30 days after any change in the creditable coverage status of the prescription drug plan

HOW TO COMPLY

A plan sponsor is required to provide the Disclosure Notice through completion of the Creditable Coverage Disclosure Form found on the left side of the [CMS Creditable Coverage Disclosure web page](#). This is the sole method for complying with the CMS disclosure requirement.

If you need assistance in completing the Disclosure to CMS Form, you can find instructions in the publication "Disclosure to CMS Guidance and Instructions." This guide is available on the CMS website at:

[Creditable Disclosure to CMS Form Instruction and Screen Shots](#)

GENERAL INFORMATION NEEDED TO COMPLETE THE DISCLOSURE

In preparing the disclosure to CMS, plan sponsors need to:

- Identify the number of prescription drug options the plan offers to Medicare-eligible individuals.
- Determine the number of benefit options offered that are creditable coverage vs. non-creditable.
- Estimate the total number of Medicare-eligible individuals expected to have coverage under the plan at the start of the plan year. This includes any health plan enrollees who are Medicare-eligible active employees, COBRA enrollees, retirees, or disabled individuals and any of their Medicare-eligible dependents.

ADDITIONAL DATA FIELDS IN THE DISCLOSURE NOTICE

- Name of Entity Offering Coverage
- Federal Tax Identification Number
- Street Address
- Phone Number
- Type of Coverage
- Creditable Coverage Status
- Period Covered by Disclosure Notice
- Estimated Number of Covered Individuals
- Change in Creditable Coverage Status of Information Previously Disclosed to CMS
- Name, Title, and Email of the Entity's Authorized Individual
- Date of Disclosure to CMS

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ADDITIONAL GUIDANCE

Please contact us if you would like more information on Regulatory Compliance, how to determine if your Plan provides creditable or non-creditable prescription drug coverage, or how Foster & Foster might otherwise serve your organization.

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