

September 2020

Compliance Reminder: Annual Medicare Part D Notices Due Soon

Each year, Medicare Part D requires group health plan sponsors to disclose to individuals who are eligible for Medicare Part D and to the Centers for Medicare and Medicaid Services (CMS) whether the health plan's prescription drug coverage is creditable.

Plan sponsors must provide the annual disclosure notice to Medicare-eligible individuals **before October 15, 2020** - the start date of the annual enrollment period for Medicare Part D. CMS has provided a [model disclosure notices](#) for employers to use.

This notice is important because Medicare beneficiaries who are not covered by creditable prescription drug coverage and do not enroll in Medicare Part D when first eligible will likely pay higher premiums if they enroll at a later date. Although there are no specific penalties associated with this notice requirement, failing to provide the notice may be detrimental to employees.

Employer Action

Employers should confirm whether their health plans' prescription drug coverage is creditable or non-creditable and prepare to send their Medicare Part D disclosure notices before October 15, 2020. To make the process easier, we recommend employers include the Medicare Part D notices in open enrollment packets if sent out prior to October 15, 2020.