



# The Vita Viewpoint Important Information for Decision Makers

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## Medicare Part D Creditability Disclosure to CMS and to Employees

### **Overview**

*Didn't Vita just send out a Vita Viewpoint reminder on Medicare Part D in November? Yes, we did, because employers are required to provide annual notification of the Medicare Part D Prescription benefit "creditability" to employees prior to November 15th.*

This edition of the Vita Viewpoint is a reminder that the law *also* requires plan sponsors to report creditability information directly to the Centers for Medicare and Medicaid Services (CMS) within 60 days of the first day of the plan year. Most Vita benefits clients have a January 1 plan year (not to be confused with renewal year); thus, the deadline is fast approaching and there are significant penalties for noncompliance with this part of the law.

### **Mandatory Online Creditable Coverage Disclosure**

Virtually all employers are required to complete the online questionnaire at the CMS website, with the only exception being employers who have been approved for the Retiree Drug Subsidy (RDS). This disclosure requirement also applies to individual health insurance, government assistance programs, military coverage, and Medicare supplement plans. ***There is no alternative method to comply with this requirement!*** Please remember that you must provide this disclosure annually.

The required Disclosure Notice is made through completion of the disclosure form on the CMS Creditable Coverage Disclosure web page. Click on the following link:  
[https://www.cms.hhs.gov/CreditableCoverage/45\\_CCDisclosureForm.asp](https://www.cms.hhs.gov/CreditableCoverage/45_CCDisclosureForm.asp).

Employers must also update their questionnaire if there has been a change to the creditability status of their prescription drug plan, or if they terminate prescription drug benefits altogether

### **Detailed Instructions and Screenshots Available**

The following is a link to detailed instructions on how to complete the online disclosure. The instructions also include helpful screenshots so that you will know what data to have handy.

[CMS Notification Instruction Guide](#)

### **Annual Notification to Employees**

This is also a good time to confirm that the required annual notice has been mailed to your employees. The ERISA Summary Plan Description that Vita provides for your welfare plans has been designed to incorporate all of the necessary disclosure language, including the Medicare Part D Creditability requirement.

If you are mailing this SPD to your employees on an annual basis, you are already in compliance with the annual disclosure requirement. If you prefer to send a separate Medicare Part D creditability notice, you may use the sample document provided by Vita.

***For questions or additional information, please contact Vita Benefits Group at (650) 968-8811.***