



The Vita Viewpoint Important Information for Decision Makers

Action Required by November 15th! Medicare Part D Credibility Annual Disclosure to Employees

Overview

U.S. Department of Health and Human Services regulations require annual notice to all plan participants regarding the Medicare Part D Prescription benefit "credibility" of your group health plan. This notice must be provided prior to November 15th to coincide with the annual Medicare open enrollment period which runs from November 15th to December 31st. This notification provides Medicare-eligible employees with important information they need to decide whether they need to enroll in Medicare Part D.

How Do We Know If Our Prescription Benefit Is "Creditable"?

A prescription drug plan is considered "**creditable**" if the prescription drug benefits are expected to pay as much as or more than standard Medicare Part D prescription drug coverage. If a plan will not pay out as much as Medicare prescription drug plans pay, it is considered "**non-creditable**".

If you are a Vita Benefits Group client, you can confirm the credibility of your own plan by referring to your ERISA Welfare Plan Summary Plan Description (SPD).

Employer Action Item

The ERISA SPD that Vita provides for your welfare plans has been designed to incorporate all of the necessary disclosure language for the Medicare Part D Credibility requirement. If you have distributed this SPD to your employees in 2009 (or within the past 12 months), you are already in compliance with the annual disclosure requirement. If you have not already distributed the latest SPD, now would be a good time to do so!

If you prefer to send a separate Medicare Part D credibility notice, you may use the sample document that is available under the Employer Guides and Resources section of our [website](#). There you can find sample documents for plans that are creditable or non-creditable for Medicare Part D purposes. Please note that the vast majority of group health plans include prescription benefits that are creditable.

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