



<DATE>

Large Group Creditable

<GROUP NAME>

Attn: <GROUP EXECUTIVE NAME>

<ADDRESS 1>

<ADDRESS 2>

<CITY>, <STATE> <ZIP>

Notice of Creditable Coverage for prescription drug plans

Dear <GROUP EXECUTIVE NAME>:

Medicare Part D is a program for Medicare-eligible individuals created by the Medicare Modernization Act in December 2003. Medicare Part D provides eligible individuals with prescription drug coverage. This voluntary program is open to anyone enrolled in Medicare Part A and/or Part B. The Medicare Modernization Act included new obligations for employers. Specifically, **employers must take the following actions each year:**

1. Determine whether your current prescription drug plan is creditable, which means the coverage is expected to pay on average as much as the standard Medicare prescription drug coverage. As a service to you, and for purposes of the Creditable Coverage Notice, Blue Cross and Blue Shield of Kansas City (Blue KC) has performed the appropriate testing for your plan. You may elect to use our test in lieu of testing independently.

Your current prescription drug plans are creditable.

2. As an employer, you must notify Medicare-eligible employees who are covered under your prescription drug plans whether your current prescription drug coverage is creditable or non-creditable. Notices must be sent by **October 16, 2023**, which is before the Medicare Part D Annual Coordinated Election Period. You can obtain sample notices at cms.hhs.gov/CreditableCoverage and click Model Notice Letters.
3. As an employer, you must also notify CMS whether the prescription drug coverage you offer is creditable or non-creditable. This must be done on an annual basis within 60 days of the beginning of the plan year and within 30 days after any change that affects whether the drug coverage is creditable. Go to cms.hhs.gov/CreditableCoverage and click Disclosure to CMS Form to complete.

For more information, visit cms.hhs.gov/CreditableCoverage. Please contact your Blue KC representative if you have questions or if we can be of assistance.

Sincerely,

Blue KC

(Over)

Creditable Coverage Employer Information

This is page 2 for all letters.

As an employer, you need to make decisions on how to complete the portion of the form that asks, **"What Happens to Your Current Coverage If You or Your Dependent Decides to Join a Medicare Drug Plan?"** and mail it to your employees or retirees who are eligible for Part D. This document helps explain their options.

Option 1: Most Common Option

You can use the model paragraph below if you want employees/dependents on the plan to continue to be eligible for your employer plan when the employee/dependent elects Medicare Part D prescription coverage. Our experience is that this is the most common approach taken by employers.

What Happens to Your Current Coverage If You or Your Dependent Decides to Join a Medicare Drug Plan?

If you or your dependent decides to join a Medicare drug plan, your current [Your Company Name] coverage will not be affected. If you elect coverage under a Medicare Part D drug plan, Blue Cross and Blue Shield of Kansas City (Blue KC) will coordinate benefits under your [Your Company Name] coverage with the benefits provided by your Medicare Part D plan as required under federal rules. If you or your dependent decides to join a Medicare Part D drug plan and you would like to drop your current [Your Company Name] coverage, be aware that you and your dependents will not be able to get this coverage back until [Your Company Name]'s next open enrollment period, unless a special enrollment period applies.

Option 2: Alternative Option

You can use the model paragraph below if you want employees/dependents on the plan to lose coverage by your employer plan (medical and drugs) when the employee/dependent elects Medicare Part D prescription coverage. Our experience is that this approach has generally only been taken by groups who have elected to take the Medicare Part D subsidy. Our account manager will want to work with you closely if you elect to pursue this election.

What Happens to Your Current Coverage If You or Your Dependent Decides to Join a Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Blue Cross and Blue Shield of Kansas City (Blue KC) coverage will be affected. Medical and prescription drug coverage under [Your Company Name] for you and your dependents will end if you elect a Medicare Part D drug plan. If your dependent elects a Medicare Part D drug plan, medical and prescription drug coverage will end for that dependent. If you do decide to join a Medicare drug plan and your current [Your Company Name] coverage terminates, please be aware that you and your dependents will not be eligible for this coverage until [Your Company Name]'s next open enrollment period, unless a special enrollment period applies.

<DATE>

Small Group Creditable

<GROUP NAME>

Attn: Group Benefits Manager

<ADDRESS 1>

<ADDRESS 2>

<CITY>, <STATE> <ZIP>

Notice of Creditable Coverage for prescription drug plans

Dear Group Benefits Manager:

Medicare Part D is a program for Medicare-eligible individuals created by the Medicare Modernization Act in December 2003. Medicare Part D provides eligible individuals with prescription drug coverage. This voluntary program is open to anyone enrolled in Medicare Part A and/or Part B. The Medicare Modernization Act included new obligations for employers. Specifically, **employers must take the following actions each year:**

1. Determine whether your current prescription drug plan is creditable, which means the coverage is expected to pay on average as much as the standard Medicare prescription drug coverage. As a service to you, and for purposes of the Creditable Coverage Notice, Blue Cross and Blue Shield of Kansas City (Blue KC) has performed the appropriate testing for your plan. You may elect to use our test in lieu of testing independently.

Your current prescription drug plans are creditable.

2. As an employer, you must notify Medicare-eligible employees who are covered under your prescription drug plans whether their current prescription drug coverage is creditable or non-creditable. Notices must be sent by **October 16, 2023**, which is before the Medicare Part D Annual Coordinated Election Period. You can obtain sample notices at cms.hhs.gov/CreditableCoverage and click Model Notice Letters.
3. As an employer, you must also notify CMS whether the prescription drug coverage you offer is creditable or non-creditable. This must be done on an annual basis within 60 days of the beginning of the plan year and within 30 days after any change that affects whether the drug coverage is creditable. Go to cms.hhs.gov/CreditableCoverage and click Disclosure to CMS Form to complete.

For more information, visit cms.hhs.gov/CreditableCoverage. Please contact your Blue KC representative if you have questions or if we can be of assistance.

Sincerely,

Blue KC

(Over)

<DATE>

Large Group Non-Creditable

<GROUP NAME>

Attn: <GROUP EXECUTIVE NAME>

<ADDRESS 1>

<ADDRESS 2>

<CITY>, <STATE> <ZIP>

Notice of Creditable/Non-Creditable Coverage for prescription drug plans

Dear <GROUP EXECUTIVE NAME>:

Medicare Part D is a program for Medicare-eligible individuals created by the Medicare Modernization Act in December 2003. It provides eligible individuals with prescription drug coverage. This voluntary program is open to anyone enrolled in Medicare Part A and/or Part B. The Medicare Modernization Act included a new obligation that **employers must take the following actions each year:**

1. Determine whether their current prescription drug plan is creditable, which means the coverage is expected to pay on average as much as the standard Medicare prescription drug coverage. As a service to you, and for purposes of the Creditable Coverage Notice, Blue Cross and Blue Shield of Kansas City (Blue KC) has performed the appropriate testing for your plan. You may elect to use our test in lieu of testing independently.

Your current prescription drug plans are creditable, except for the following plans, which are non-creditable:

- **BlueSaver plans with a deductible of \$5,000 or more**
 - **AffordaBlue plan**

You will not receive a separate letter for your creditable plans.

2. As an employer, you must notify Medicare-eligible individuals who are covered under your prescription drug plans whether their current prescription drug coverage is creditable or non-creditable. Notices must be sent by **October 16, 2023**, which is before the Medicare Part D Annual Coordinated Election Period. You can obtain sample notices at cms.hhs.gov/CreditableCoverage and click Model Notice Letters.
3. As an employer, you must also notify CMS whether the prescription drug coverage you offer is creditable or non-creditable. This must be done on an annual basis within 60 days of the beginning of the plan year and within 30 days after any change that affects whether the drug coverage is creditable. Go to cms.hhs.gov/CreditableCoverage and click Disclosure to CMS Form.

For more information, visit cms.hhs.gov/CreditableCoverage. Please contact your Blue KC representative if you have questions or if we can be of assistance.

Sincerely,

Blue KC

(Over)

<DATE>

Small Group Non-Creditable

<GROUP NAME>

Attn: Group Benefits Manager

<ADDRESS 1>

<ADDRESS 2>

<CITY>, <STATE> <ZIP>

Notice of Creditable/Non-Creditable Coverage for prescription drug plans

Dear Group Benefits Manager:

Medicare Part D is a program for Medicare-eligible individuals created by the Medicare Modernization Act in December 2003. It provides eligible individuals with prescription drug coverage. This voluntary program is open to anyone enrolled in Medicare Part A and/or Part B. The Medicare Modernization Act included a new obligation that **employers must take the following actions each year:**

1. Determine whether their current prescription drug plan is creditable, which means the coverage is expected to pay on average as much as the standard Medicare prescription drug coverage. As a service to you, and for purposes of the Creditable Coverage Notice, Blue Cross and Blue Shield of Kansas City (Blue KC) has performed the appropriate testing for your plan. You may elect to use our test in lieu of testing independently.

**Your current prescription drug plans are creditable,
except for the [AffordaBlue plan](#), which is non-creditable.**

You will not receive a separate letter for your creditable plans.

2. As an employer, you must notify Medicare-eligible individuals who are covered under your prescription drug plans whether their current prescription drug coverage is creditable or non-creditable. Notices must be sent by **October 16, 2023**, which is before the Medicare Part D Annual Coordinated Election Period. You can obtain sample notices at cms.hhs.gov/CreditableCoverage and click Model Notice Letters.
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For more information, visit cms.hhs.gov/CreditableCoverage. Please contact your Blue KC representative if you have questions or if we can be of assistance.

Sincerely,

Blue KC

(Over)

<DATE>

Small Group ACA Non-Creditable

<GROUP NAME>

Attn: Group Benefits Manager

<ADDRESS 1>

<ADDRESS 2>

<CITY>, <STATE> <ZIP>

Notice of Creditable/Non-Creditable Coverage for prescription drug plans

Dear Group Benefits Manager:

Medicare Part D is a program for Medicare-eligible individuals created by the Medicare Modernization Act in December 2003. It provides eligible individuals with prescription drug coverage. This voluntary program is open to anyone enrolled in Medicare Part A and/or Part B. The Medicare Modernization Act included a new obligation that **employers must take the following actions each year:**

1. Determine whether your current prescription drug plan is creditable, which means the coverage is expected to pay on average as much as the standard Medicare prescription drug coverage. As a service to you, and for purposes of the Creditable Coverage Notice, Blue Cross and Blue Shield of Kansas City (Blue KC) has performed the appropriate testing for your plan. You may elect to use our test in lieu of testing independently.

Your current prescription drug plans are creditable except for the following Small Group ACA plans, which are non-creditable:

- **First PCB Bronze**
- **Value PCB Bronze**
- **Traditional BSP Bronze**
- **Value BSP Bronze**

You will not receive a separate letter for your creditable plans.

2. As an employer, you must notify Medicare-eligible individuals who are covered under your prescription drug plans whether their current prescription drug coverage is creditable or non-creditable. Notices must be sent by **October 16, 2023**, which is before the Medicare Part D Annual Coordinated Election Period. You can obtain sample notices at cms.hhs.gov/CreditableCoverage and click Model Notice Letters.
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