

October 2025

Dear Employer:

Employers that offer prescription drug coverage must provide notice of coverage status (creditable or non-creditable) to Medicare-eligible individuals **before** each year's Medicare Part D annual enrollment period starting October 15 and ending December 7.

Who Must Receive the Notice?

The notice must be provided to all Medicare-eligible individuals who are covered under, or eligible for, the employer's prescription drug plan, regardless of whether the plan pays primary or secondary to Medicare. Thus, the notice obligation is not limited to retirees and their dependents but also includes Medicare-eligible active employees and their dependents and Medicare-eligible COBRA participants and their dependents.

When Must Notice be Provided?

Part D eligible individuals must be given notice of the creditable or non-creditable status of the prescription drug coverage:

- a) Annually, prior to Medicare enrollment period or October 14 of each year
- b) Before an individual's initial enrollment period for Part D
- c) Before the effective date of coverage for any Medicare-eligible individual who joins an employer plan.
- d) Whenever prescription drug coverage ends or creditable coverage status changes.
- e) Upon the individual's request.

Status

It has been determined that the prescription drug coverage offered by Northwest Employer Marketplace through Regence **does meet the requirements to be considered creditable with the exception of Silver HSA Embedded 3600, Silver HSA 3500, Bronze HSA 6000, and Bronze Essential 7500 Preferred.**

ACTION REQUIRED

1. Provide the accompanying Notice of Creditable Coverage to all Medicare Part D eligible participants, as outlined in paragraph 2, by October 14th. This will satisfy a) and b) above.
2. Provide a copy of the accompanying Notice of Creditable Coverage to any newly hired and newly eligible individual prior to their effective date of coverage. This will satisfy c) above.

Notice Distribution Methods

Notices may be provided in annual enrollment materials, separate mailings, or electronically as long as notices are provided no later than October 14.

Employers may provide electronic notice to plan participants who have regular work-related computer access to the employer's electronic information system. However, employers that use this disclosure method must inform participants that they are responsible for providing notices to any Medicare-eligible dependents covered under

the group health plan.

Electronic notice may also be provided to employees who do not have regular work-related computer access to the employer's electronic information system and to retirees or COBRA qualified beneficiaries, but only with a valid email address and their **prior consent**. Before individuals can effectively consent, they must be informed of the right to receive a paper copy, how to withdraw consent, how to update address information, and any hardware/software requirements to access and save the disclosure. In addition to emailing the notice to the individual, the sponsor must also post the notice (if not personalized) on its website.

ACTION REQUIRED – Don't forget the disclosure to CMS

Employers that provide prescription drug coverage to Medicare-eligible individuals must also disclose to CMS annually whether the coverage is creditable or non-creditable. This disclosure must be made no more than 60 days after the beginning of each plan year—generally, by March 1. The CMS disclosure obligation applies to all employers/plan sponsors that provide prescription drug coverage, even those that do not offer prescription drug coverage to retirees. For more information on the CMS disclosure requirement and to access the online form, please go to: <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/CCDisclosureForm.html>.

Please do not hesitate to contact us should you have any questions or need assistance.

Thank you,

Vimly Administrative Services