

Medicare Part D Notice Requirements

Following is an overview of some of the situations which require notice to be given to your Medicare Part D eligible¹ employees, retirees and dependents and to the Center for Medicare and Medicaid Services (CMS).

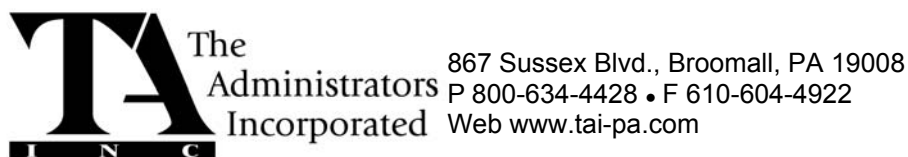
Notice to eligible individual should be given in the form of a Creditable Coverage notice which is available from The Administrators, Inc. (TAI).

Notice to CMS must be given via their online disclosure form at www.cms.hhs.gov/creditablecoverage

These notices should be given when:

- A new hire is Medicare eligible or has a Medicare eligible dependent.
- A change occurs in creditable/non-creditable status of coverage.
- An employee or dependent becomes eligible for Medicare Part D.
- Employee termination and/or COBRA eligibility occurs.
- Prescription coverage terminates.
- Prescription coverage changes.
- A disability occurs which makes an employee or dependent eligible for Medicare.
- Annual notices must also be given to eligible individuals by November 15 of each year and to CMS by February 28 of each year. (TAI will provide you with an updated notice for employees each year.)

This document is provided as an overview only. Full guidelines are available on CMS's website www.cms.hhs.gov/creditablecoverage.



¹ An individual is eligible for Part D if: 1. The individual is entitled to Medicare Part A and/or enrolled in Part B, as of the effective date of coverage under the Part D plan; AND 2. The individual resides in the service area of a prescription drug plan or of a Medicare Advantage plan that provides prescription drug coverage.

Note that in general, an individual becomes "entitled" to Medicare Part A when the person actually has Part A, and not simply when the person is first eligible. A person has Part A without being subject to monthly premiums if the person has attained age 65 and has monthly social security benefits or is a qualified railroad retirement beneficiary. Individuals under age 65 may become entitled to Medicare Part A if they receive at least 24 months of social security or railroad retirement benefits based on disability. An individual who is eligible for social security benefits but has not applied for such benefits becomes entitled to Medicare Part A only upon the filing of an application for Part A benefits.

Detailed information about eligibility is provided in the CMS publication "Enrolling in Medicare."