



TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

ACTION REQUIRED BY OCTOBER 15TH

Date: July 18, 2023

To: TAC HEBP Members

From: Rob Ressmann, Health & Benefits Services Operations Manager

RE: Employer Requirements for Notice of Creditable Coverage

It is again time for employers to prepare and distribute to their employees the Notice of Creditable Coverage as required by the federal Centers for Medicare and Medicaid Services (CMS). We are providing this email as a reminder along with some helpful resources for you.

CMS requires all employers to notify their Medicare-eligible enrollees at least annually of the Creditable Coverage status of your pharmacy benefit coverage. Your Notice of Creditable Coverage must be sent to all Medicare-eligible enrollees (employees, retirees and dependents) **no later than October 15, 2023**, regardless of your plan anniversary date. For your convenience, we have developed a sample notice that follows the CMS guidelines and placed it on the TAC website. You can download the document into Microsoft Word and insert your county or organization name. The document can also be found on the TAC website along with other helpful hints at:

<https://www.county.org/Health-Benefits/Medicare-D>

In addition to the Notice of Creditable Coverage for your enrollees, all employers must also disclose to CMS the Creditable Coverage Status of their pharmacy benefit coverage. All pharmacy benefits plans offered by the TAC Health and Employee Benefits Pool are Creditable Coverage. The pharmacy plans offered in conjunction with CountyChoice Silver are also Creditable Coverage.

CMS requires this disclosure to be completed online at their website. You must log into the CMS website to complete this disclosure. The web address is:

<https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/CCDisclosureForm.html>

The complete disclosure process should take you less than 15 minutes and we have prepared a "Helpful Hints" document that will guide you through the process. You can download the "Helpful Hints" at

<https://www.county.org/Health-Benefits/Medicare-D>

CMS requires entities to complete this disclosure **no later than 60 days after the plan anniversary date.** For example, if your anniversary date is October 1, you have until November 30 to complete your disclosure. If your group has been approved for the Retiree Drug Subsidy, CMS has already been informed of your status and thus online disclosure is not required.

If you have questions, please contact your TAC Employee Benefits Specialist at 1-800-456-5974.

Important Notice from Montague County About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Montague County and about your options under Medicare's prescription drug coverage. This information can help you decide whether you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Montague County has determined that the prescription drug coverage offered by the Texas Association of Counties Health Employee Benefits Pool (TAC HEBP) is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join a Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens to Your Current Coverage If You Decide to Join a Medicare Drug Plan?

If you decide to join a Medicare drug plan, your Montague County coverage will be affected. (Please see attached Prescription Drug Summary.)

If you do decide to join a Medicare drug plan and drop your Montague County prescription drug coverage, be aware that you and your dependents or will not be able to get this coverage back.

For Active Employees with Medicare...

When you are an active employee, generally the **Montague County** health care plan will be the primary coverage for you and any dependent(s) that you cover, even if you or your dependent also has Medicare. The **Montague County** plan requires all active, eligible employees to participate in the medical and prescription plan.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your coverage with Montague County and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the person listed below for further information.

NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Montague County changes. You also may request a

CMS Form 10182-CC

Updated April 1, 2011

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0990. The time required to complete this information collection is estimated to average 8 hours per response initially, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help,
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and whether or not you are required to pay a higher premium (a penalty).

Date: 08/03/2023

Name of Entity/Sender: Montague County

Contact--Position/Office: Jennifer Fenoglio-Treasurer

Address: P. O. Box 186, 101 Franklin St, 4th Floor, Montague, TX 76251

Phone Number: (940) 894-2161

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