

VIGILANT®

● Group Benefits Trust

Administered by Benefit Solutions, Inc.

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Dear Employer,

Medicare offers insurance coverage to its beneficiaries for prescription drugs. This is referred to as Medicare Part D coverage. Medicare Part D eligible individuals must be advised whether their employer sponsored prescription drug coverage is considered creditable coverage – i.e. if it is as good as or better than Medicare Part D coverage. These disclosure notices must be provided at the following times:

1. Annually prior to the Medicare Part D coordinated election period (October 15th – December 7th).
2. Prior to a newly eligible Medicare Part D participant's initial enrollment period for Medicare Part D.
3. Prior to the effective date of coverage for any Medicare Part D eligible individual who comes on to your group health plan.
4. Whenever you no longer offer prescription drug coverage or the status of your prescription drug coverage changes (i.e. from creditable to non-creditable or vice versa).
5. Upon request.

Regence BlueCross BlueShield of Oregon has determined that the prescription drug plans offered through Vigilant Group Benefits Trust as of 1/1/16 are considered creditable coverage *with the exception of the Plan D \$5000 plan*. We have enclosed the appropriate creditable coverage notice based on the plan(s) you offer to your employees in 2016.

Benefit Solutions, Inc. is mailing the creditable coverage notice to all of your plan participants. By providing a notice to all plan participants, it satisfies #1 and #2 above (as 'prior to' is defined as any time within the 12-month period prior to the due date). It also ensures that all required participants receive the notice (as it is not easily known who is, or will become, Medicare Part D eligible for reasons other than attaining age 65).

ACTION REQUIRED: Please provide a copy of the notice to any newly hired employees and newly eligible participants prior to their effective date of coverage. This will satisfy #3 above.

For guidance on the acceptable manner and methods of distribution to participants, please see pages 12 and 13 in the following CMS Guidance document: https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/downloads/Updated_Guidance_09_18_09.pdf.

Creditable Coverage Status Online Disclosure to CMS

Plan sponsors must also notify CMS about the creditable coverage status of their prescription drug plan(s). This must be done annually within 60 days after the beginning date of the plan year. The Trust will comply with the requirement by filing one online disclosure on behalf of all Vigilant Group Benefits Trust employers. *Therefore, no action is needed by the employer to satisfy this requirement.*

Please contact Benefit Solutions, Inc. if you have any questions.

Benefit Solutions, Inc.
Trust Administrative Office