

Medicare Part D Prescription Benefits

Employer Requirements for Creditable Coverage



PLEASE CAREFULLY READ THIS IMPORTANT NOTICE FROM ANTHEM BLUE CROSS ABOUT YOUR PRESCRIPTION DRUG COVERAGE AND MEDICARE.

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) created a new pharmacy benefit for Medicare-eligibles.¹ Many employers already offer prescription drug coverage for their Medicare beneficiaries. The Centers for Medicare and Medicaid Services (CMS) is encouraging employers to continue this coverage and take advantage of federal funding for these benefits.

One of the MMA's requirements is that employers notify CMS and their Medicare-eligible active employees and retirees whether their pharmacy benefits are "creditable" or "non-creditable."

Purpose of This Notice

Anthem Blue Cross has reviewed our current standard prescription drug benefits to determine whether the coverage is creditable or noncreditable. If coverage is considered "creditable," this means that the prescription drug coverage offered under the plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay.

Anthem Blue Cross Large Group Medicare Part D: Creditable/Non-Creditable Comparison

For your reference, we have included the following table listing our standard pharmacy plans and indicating which ones are considered "creditable" and "non-creditable." If you have a pharmacy plan other than one listed below, contact your Anthem Blue Cross Sales Representative to determine if the plan is creditable.

FOR EMPLOYERS WITH 126 OR MORE EMPLOYEES

Standard Plans as of 10/1/05	Creditable	Non-Creditable
Rx 4 (5/10)	X	
Rx 10 (5/15)	X	
Rx 11 (10/15)	X	
Rx 13 (5/10)	X	
Rx 14 (10/20)	X	
Rx 17 Three-Tier (10/25/50%)	X	
Rx 18 Three-Tier (10/20/40)	X	
Rx 19 Three-Tier (5/15/40)	X	
Rx 20 Three-Tier (5/20/40)	X	
Rx 22 Three-Tier (10/20/40%)	X	
Rx Saver	X	
Power Select HMO Rx Plan	X	
Rx OnePlan PPO R1A (10/10)	X	
Rx OnePlan PPO R2A (20/20)	X	
Rx OnePlan PPO R3A (30/30)	X	

¹ Members include Medicare-eligible active employees, retirees, dependents, individuals eligible for Medicare due to disability, and individuals eligible for Medicare due to End-Stage Renal Disease.

Employers who select the subsidy option must provide an "actuarial attestation" approved by an actuary who is a member of the American Academy of Actuaries. Plans integrated with medical coverage must meet the standard in 4(c).

FOR EMPLOYERS WITH 126 OR MORE EMPLOYEES (continued)

Standard Plans as of 10/1/05	Creditable	Non-Creditable
BC PPO (non-California resident) Rx OnePlan PPO R1A (10/10)	X	
BC PPO (non-California resident) Rx OnePlan PPO R2A (20/20)	X	
BC PPO (non-California resident) Rx OnePlan PPO R3A (30/30)	X	
AccessRx 1 (10/20/40/20%)		X
AccessRx 2 (15/30/60/20%)		X
HSA-Compatible Plans with Rx Coverage		
Power HealthFund PPO (2100/90/70)		X
Power HealthFund PPO (2500/80/60)		X
Power HealthFund PPO (1200/80/60)		X
Power HealthFund PPO (1200/90/70)		X
Power HealthFund BC PPO (non-California resident) (2100/80/60)		X
Power HealthFund BC PPO (non-California resident) (2100/90/70)		X
Power HealthFund BC PPO (non-California resident) (2500/80/60)		X
Power HealthFund BC PPO (non-California resident) (1200/80/60)		X
Power HealthFund BC PPO (non-California resident) (1200/90/70)		X
Lumenos Plans as of 2/1/07		
LHRA 12 (1500/90/70)	X	
LHRA 26 (2000/80/60)	X	
LHRA 44 (3000/100/70)	X	
LHIA Plus 12 (1500/90/70)	X	
LHIA Plus 26 (2000/80/60)	X	
LHIA Plus 44 (3000/100/70)	X	
LHSA 13 (1250/90/50)	X	
LHSA 16 (1500/90/70)	X	
LHSA 20 (2500/100/70)	X	
LHSA 21 (2500/80/60) X		X
LHSA 23 (3000/80/60) X		X
LHIA 1 (500/90/70) X	X	
LHIA 3 (750/90/70) X	X	
LHIA 5 (1000/90/70)	X	
Lumenos BC PPO (non-California resident) Versions as of 2/1/07		
LBHRA 12 (1500/90/70)	X	
LBHRA 26 (2000/80/60)	X	
LBHRA 44 (3000/100/70)	X	
LBHIA Plus 12 (1500/90/70)	X	
LBHIA Plus 26 (2000/80/60)	X	
LBHIA Plus 44 (3000/100/70)	X	
LBHSA 13 (1250/90/50)	X	
LBHSA 16 (1500/90/70)	X	
LBHSA 20 (2500/100/70)	X	
LBHSA 21 (2500/80/60)		X

FOR EMPLOYERS WITH 126 OR MORE EMPLOYEES (continued)

	Creditable	Non-Creditable
Lumenos BC PPO (non-California resident) Versions as of 2/1/07		
LBHSA 23 (3000/80/60) X		X
LBHIA 1 (500/90/70) X	X	
LBHIA 3 (750/90/70) X	X	
LBHIA 5 (1000/90/70)	X	

FOR EMPLOYERS WITH 51 - 250 EMPLOYEES

Standard Plans as of 10/1/05	Creditable	Non-Creditable
Rx 10/25/40	X	
BC PPO (non-California resident) Rx OnePlan PPO (10/10)	X	
BC PPO (non-California resident) Rx OnePlan PPO (20/20)	X	
BC PPO (non-California resident) Rx OnePlan PPO (30/30)	X	
BC PPO (non-California resident) Premier Plus PPO	X	
Blue Cross Premier Plus PPO	X	
HSA-Compatible Plans with Rx Coverage		
Power HealthFund PPO (2100/80/60)		X
Power HealthFund PPO (2100/90/70)		X
Power HealthFund PPO (2500/80/60)		X
Power HealthFund PPO (1200/80/60)		X
Power HealthFund PPO (1200/90/70)		X
Power HealthFund BC PPO (non-California resident) (2100/80/60)		X
Power HealthFund BC PPO (non-California resident) (2100/90/70)		X
Power HealthFund BC PPO (non-California resident) (2500/80/60)		X
Power HealthFund BC PPO (non-California resident) (1200/80/60)		X
Power HealthFund BC PPO (non-California resident) (1200/90/70)		X
BC PPO (non-California resident) plans meet the same creditable/ non-creditable criteria as New PPO Plans Effective 8/1/07	Creditable	Non-Creditable
Premier \$0/\$10	X	
Premier \$150/\$10	X	
Premier \$250/\$15	X	
Premier \$250/\$20	X	
Classic PPO 1	X	
Classic PPO 2	X	
Classic PPO 3	X	
Classic PPO 4	X	
Classic PPO 5	X	
GenRx PPO 250		X
GenRx PPO 500		X
OnePlan PPO 10	X	
OnePlan PPO 20	X	
OnePlan PPO 30	X	
Lumenos HIA Plus 3000	X	
Lumenos HIA Plus 2000	X	

FOR EMPLOYERS WITH 51 - 250 EMPLOYEES (continued)

BC PPO (non-California resident) plans meet the same creditable/ non-creditable criteria as New PPO Plans Effective 8/1/07	Creditable	Non-Creditable
Lumenos HSA 1250	X	
Lumenos HSA 2500	X	
Lumenos HSA 3000		X
New HMO Plans Effective 8/1/07		
Premier HMO 10	X	
Premier HMO 20	X	
Premier HMO 30	X	
Classic HMO 20/250	X	
Classic HMO 30/250	X	
Classic HMO 30/500	X	
Value HMO 20	X	
Value HMO 20/40	X	
Value HMO 30/40	X	
Select HMO 1	X	
Select HMO 2	X	
Select HMO 3	X	

FOR EMPLOYERS WITH 51 - 99 EMPLOYEES

EmployeeElect Plans	Creditable	Non-Creditable
Premier \$10 Copay 8982/X356	X	
Premier \$20 Copay 5030/X357/BA63	X	
Advantage \$25 Copay PE24/X364	X	
\$30 Copay 5031/X358/BA64	X	
\$40 Copay 5032/X359	X	
\$35 Copay GenRx T159/X355/Y369/BA65		X
\$45 Copay GenRx BK29, BK32 X		X
Power HealthFund 500 P943/Y365	X	
Power HealthFund 750 P942/Y366	X	
Basic PPO 5033/X363	X	
PPO Saver NM01/X362	X	
HMO 100% 5034-5036/X366, 5038-5202/x360	X	
HMO Saver 8977/8980-X361/X367-BA67/BA68	X	
Lumenos HSA-Compatible 1500 DY07, EU32	X	
Lumenos HSA-Compatible 3000 DY11, DY76, EU33		X
Lumenos HIA Plus 3000 DY17, EU34	X	
Classic HMO PD40/PD41-X365/X368	X	
Power Select HMO PD56/Y370/Y364	X	
PPO 2400 HSA-Compatible V469/Y367/BA66	X	
PPO 3500 HSA-Compatible V471/Y368	X	

FOR EMPLOYERS WITH MEDICARE PART D PHARMACY COVERAGE

Waiver MedicareRx Plans	Creditable	Non-Creditable
Blue Cross MedicareRx Premier MRxPr1*	X	
Blue Cross MedicareRx Premier MRxPr2	X	
Blue Cross MedicareRx Premier MRxPr3	X	
Blue Cross MedicareRx Value MRxV1	X	

Employer Responsibilities

CMS requires that employers comply with the following creditable coverage requirements:

Notice Required for CMS

Plan Sponsors have an obligation under the MMA to submit a creditable coverage notification to CMS. The disclosure form is available at the following address <http://www.cms.hhs.gov/creditablecoverage>. Select the Disclosure to CMS Form link to complete the online form.

Notice Required for Medicare-eligible Members

As a Plan Sponsor, you are obligated under the MMA to notify all Medicare-eligible members of your group regarding the creditable or non-creditable status of their prescription drug coverage available to them under the plan of benefits.

If the Medicare beneficiary does not sign up for Part D coverage when the beneficiary first becomes eligible, a creditable coverage letter will allow a beneficiary to enroll at a later date without being charged a higher premium. Creditable coverage notices are not required for members enrolled in an employer-sponsored waiver plan.

Resources

Model beneficiary creditable and non-creditable coverage disclosure notices are available at the following CMS website links:

- Non-creditable notice:
<http://www.cms.hhs.gov/medicarerereform/Non-CredCov-BeneDsclsreNtc.pdf>
- Creditable notice:
<http://www.cms.hhs.gov/medicarerereform/CredCov-BeneDsclsreNtc.pdf>

For More Information

If you have questions regarding your Part D coverage, contact your Anthem Blue Cross Sales Representative.

Anthem Blue Cross Life and Health Insurance Company (Anthem) has contracted with the Centers for Medicare and Medicaid Services (CMS) to offer the Medicare Prescription Drug Plans (PDPs) noted above or herein. Anthem is the state-licensed, risk-bearing entity offering these plans. Anthem has retained the services of its related companies and authorized agents/brokers/producers to provide administrative services and/or to make the PDPs available in this region.

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When Must Creditable Coverage Notices Be Sent?

Anthem Blue Cross is providing you with this notice regarding the creditable or non-creditable status of the prescription drug coverage you provide for Medicare-eligible members of your groups. You must provide notices to the Medicare-eligible members of your group on the following occasions:

- Prior to (within the last 12 months) the person's Initial Enrollment Period (IEP) for Part D
- Prior to the Part D Annual Coordinated Election Period (ACEP) November 15 to December 31 each year
- Prior to (within the last 12 months) the effective date of the person's enrollment in the plan
- At the time of any change that would affect whether the prescription plan coverage is creditable or noncreditable
- On request from the beneficiary

Additional information on creditable coverage can be found on the CMS website at the following address: www.cms.hhs.gov/medicarerereform/CCGuidance.pdf