

# MEMORANDUM

To:	Participant
From:	Benefits Department
Date:	September 29, 2023

Final regulations were published in January 2005 which implements the new Medicare Part D voluntary outpatient prescription drug benefit for qualified health plans. The program was created by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. The New drug benefit was available beginning on January 1, 2006.

## **What is Medicare Part D?**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 was enacted on December 8, 2003. This act added a new voluntary prescription drug program to Medicare, referred to as Medicare Part D. Medicare Part D contains provisions which:

Make prescription drug coverage available starting January 1, 2006.

Provide standards for beneficiary eligibility, access, benefits and protections.

Provide standards for organizations participating in the voluntary Medicare prescription drug program, and

Require entities to provide a disclosure of creditable coverage status to all Part D Eligible Individuals and to the Centers for Medicare & Medicaid Services (CMS).

## **Who is a Part D Eligible Individual?**

An individual is a Part D Eligible Individual if:

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 the individual resides in the service area of a prescription drug plan (PDP) or of a Medicare Advantage plan that provides prescription drug coverage (MA-PD).

Note that in general, an individual becomes entitled to Medicare part A when the person actually has Part A coverage and not simply when the person is first eligible.

In order to comply with all local, state and federal entities, this notice is being communicated in hard copy form.

If you have questions feel free to contact your Human Resources or Benefits department.

**This information is being provided to you in advance so that you understand your coverage prior to becoming Medicare-eligible. We will notify you again during our annual Open Enrollment should there be a change in the prescription drug benefit that would change the non-creditable status of the plan.**