



# BlueCross BlueShield of Vermont

*An Independent Licensee of the Blue Cross and Blue Shield Association.*

Fall 2011

Each year the government requires employers that offer health plans with prescription drug coverage to provide notices to their Medicare-eligible employees (including retirees and Medicare-eligible dependents) telling them whether their coverage Prescription Drug Coverage is considered “creditable” – or “equal to or better than” Medicare Part D. You must send such notices before October 15, 2011.

Using an outside actuarial firm to review the prescription benefits provided by BCBSVT (excluding any additional employer funding through an HRA or HSA) we have determined the following to be considered “**creditable**”

- \$0, \$50, \$100 deductible, 3-tier drug plans
- \$2,500 deductible, 100% coinsurance or richer CDHP plans
  - (\$2,000, \$2,250 deductible)

We have determined the following to be considered “**non-creditable**”

- 50% coinsurance
- \$2,500 deductible, 80% coinsurance or less rich CDHP plans
  - (\$3,000, \$4,000, \$5,000 deductible)
- 40%/50%/60% coinsurance plans

As a courtesy to our employer groups, BCBSVT has put Medicare’s (CMS) model template letters out on our website for your use at <http://www.bcbsvt.com/pages/forms/forms.htm>. We provide this information to assist you in meeting your legal obligations.<sup>1</sup> The determination of creditable coverage to be provided in this notice is based upon information available to BCBSVT as of September 2008, and was determined using a simplified determination of creditable coverage.

---

<sup>1</sup> **This information does not constitute legal advice; you should consult your attorney for guidance on how to best meet your legal obligations. (See 42 C.F.R. § 423.56)**