

Important Information Regarding Annual Notice Requirements

This communication is a reminder of the annual notices that must be provided to plan participants and employees. For health plans with a calendar year plan year, plan sponsors typically include these notices with open enrollment materials. For health plans with a plan year other than a calendar year, the notices may be distributed during the next open enrollment period, unless otherwise noted below.

For your convenience, all of the notices more fully described below can be found [here](#) in a single document for easy distribution to plan participants. There are customizable fields in most documents that need to be tailored to your specific health plan. Please review and tailor each carefully prior to distribution.

Creditable Prescription Drug Coverage

The Centers for Medicare and Medicaid Services (CMS) require that the appropriate Notice of Creditable Prescription Drug Coverage be issued annually to all Medicare eligible plan participants prior to the annual open enrollment period for Medicare Part D Prescription Drug Coverage (you can learn more about this process [here](#)). This year the annual open enrollment period is from October 15, 2020, through December 7, 2020. **Therefore, for the calendar year 2021, you need to issue the notice prior to October 15, 2020.** This notice permits some customization, and the highlighted sections can be completed with information about your plan and individual recipients.

Employer-Sponsored Wellness Programs

Generally, as part of the wellness program rules under the federal Americans with Disabilities Act, employers that offer wellness programs that collect employee health information are required to provide a notice to employees informing them (1) what information will be collected, (2) how it will be used, (3) who will receive it, and (4) what will be done to keep it confidential. The requirement applies to the health plan year an employer uses to calculate any incentives it offers as part of the wellness program. Employees must receive the notice before providing any health information, and with enough time to decide whether to participate in the program. **Therefore, we recommend providing the notice along with open enrollment materials. This notice requires some degree of customization tailored to your unique wellness program. If you require assistance in completing your notice, please consult with your MedCost Account Manager.**

Notice of Nondiscrimination and Accessibility

The nondiscrimination rules under section 1557 of the Affordable Care Act (ACA) that were issued in 2016 required all covered entities to post a notice of consumer civil rights. (For a determination of whether your organization is considered a covered entity for purposes of section 1557, please consult with your counsel.) In June 2020, the U.S Department of Health and Human Services (HHS) repealed and replaced significant portions of the 2016 rules. The 2020 regulations eliminated the requirement to include nondiscrimination notices, instead requiring “reasonable steps” to ensure meaningful access for individuals with limited English proficiency. The 2016 rule required inclusion of this notice in all significant publications. **Covered entities should decide whether or not to include this notice going forward, depending on whether such notice is part of the organization’s “reasonable steps” to ensure meaningful access for individuals with limited English proficiency.**

Women's Health and Cancer Rights Act

Group health plans are required to provide a written notice annually to each plan participant regarding the coverage required by this federal mandate. A separate notice must be furnished to each plan participant who has a different last known address than the covered employee. **We recommend that the annual notice be provided no later than January 31, 2021, for the plan year January 1 - December 31, 2021.**

Notice of Privacy Practices

The Health Insurance Portability and Accountability Act (HIPAA) requires that each plan participant receive a Notice of Privacy Practices from the Plan at least once every three years. The enclosed Notice of Privacy Practices is based on a model notice that meets the requirements of the HIPAA Privacy provisions. If your Plan has its own customized Notice, you should issue your own notice. **To simplify recordkeeping of when such notices were distributed, we recommend distributing the notice to all plan participants annually.**

Children's Health Insurance Program Reauthorization Act

This act requires that a notice be provided to all benefit eligible employees on an annual basis. The notice, which was updated in July 2020, may be included with other health plan materials, but should appear separately so that employees understand its significance. **We recommend that the annual notice be provided along with annual enrollment materials or no later than the first day of your plan year.**

Health Insurance Marketplace Coverage Options

Employers to which the Fair Labor Standards Act applies must provide a notice of coverage options to each employee, regardless of enrollment status or of part-time or full-time status. The notice must be given to each new employee upon hire, and may be included with other

materials, but should appear separately so that employees understand its significance. **We recommend including the notice with open enrollment materials each year.**

Creditable Coverage Disclosure to CMS

Group health plans that provide prescription drug coverage to Medicare eligible plan participants must also submit a Creditable Coverage Disclosure to CMS on an annual basis and upon any change that affects whether the drug coverage is/is not creditable. This notice **must be submitted within 60 days after the beginning date of the plan year for which the entity is providing the disclosure.** (Example: For a plan year of January 1 - December 31, 2021, the disclosure would be due by March 1, 2021.)

If you have any questions regarding the contents or the requirements of these model notices, please contact your MedCost Account Manager.

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