



Health Net Health Plan of Oregon, Inc.
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September 19, 2025

Pharmacy Plan Creditable Coverage Notice

A message from Health Net of Oregon, Inc. "Health Net"

Dear Valued Client,

At Health Net, we're committed to keeping you informed about important requirements related to your group health benefits. This letter provides you with key information about **Medicare Part D Creditable Coverage** for your **Health Net pharmacy plans**.

Employer Obligations Under Medicare Part D

Since 2006, Medicare has provided prescription drug coverage through the **Medicare Part D program**. Employers that offer prescription drug benefits to Medicare eligible employees, retirees, or their dependents are required to:

- **Determine whether the prescription drug coverage offered is considered Creditable Coverage.**
Creditable coverage is defined as coverage that is expected to pay, on average, at least as much as the standard Medicare Part D prescription drug benefit.
- **Provide annual notification to Medicare eligible individuals** regarding the status of their pharmacy coverage - specifying whether their coverage meets the standard for Creditable Coverage.
- **Submit an annual disclosure to the Centers for Medicare & Medicaid Services (CMS)** indicating the prescription drug plan's Creditable Coverage status.

Health Net's Plan Year 2025–2026 Pharmacy Plan Assessment

As of the date of this letter, Health Net has assessed its plan year 2025 and plan year 2026 commercial large group pharmacy plans.

- All current **custom pharmacy plans** and **2025/2026 Large Group Portfolio pharmacy plans** provide **Creditable Coverage for 2026**.
- If you make changes to your pharmacy plan at renewal and select a plan outside of **Large Group Portfolio**, please contact your Health Net representative to confirm whether the new pharmacy plan provides Creditable Coverage.

Please note:

Creditable Coverage status is determined based on the current plan design and Medicare Part D standards as

of the date of this letter. Because both may change annually, employers should **review and reassess creditable status each year**, especially before Medicare's Annual Election Period or when making material plan changes.

What You Need to Do

1. Notify Your Medicare Eligible Members

You must inform your Medicare eligible employees, retirees, and dependents if their prescription drug coverage is Creditable Coverage. This notice must be provided **before Medicare's Annual Election Period**, which starts **October 15, 2025**.

CMS Model Disclosure Notices

CMS provides model disclosure notices that employers may customize and use to meet their notice obligations. To access these notices, please visit:

<https://www.cms.gov/medicare/employers-plan-sponsors/creditable-coverage/model-notice-letters>

A **Medicare Part D-eligible individual** is anyone who:

- Is entitled to Medicare Part A or enrolled in Medicare Part B, **and**
- Resides in the service area of a Medicare Part D plan.

2. Report Your Creditable Coverage Status to CMS

Employers are required to notify CMS of the Creditable Coverage status of their pharmacy plans each year. This is done by completing the **Online Disclosure to CMS Form**, available at:

<https://www.cms.gov/medicare/employers-plan-sponsors/creditable-coverage/disclosure-form>

This form must be submitted:

- **No later than 60 days after the start of the plan year**
- **Within 30 days of any change in creditable coverage status**
- **Within 30 days of terminating prescription drug coverage**

Additional Resources

For more information on Creditable Coverage requirements, visit the **CMS Creditable Coverage Page**: www.cms.gov/CreditableCoverage. If you have any questions, contact your **Health Net Account Manager** or call the **Health Net Account Services Unit** at **1-800-547-2967**. We appreciate your partnership and look forward to supporting your group's health care needs.

Sincerely,



Sarah Brewer
Plan President & CEO
Health Net Health Plan of Oregon, Inc.

¹Medicare Advantage plans do not need to be tested and are not included in the results. Health Net does not offer testing for Retiree Drug Subsidy (RDS) plans. If you offer an RDS plan, you should obtain testing from another qualified actuary.