



DATE: August 5, 2024

TO: All Medicare Advantage Organizations, Prescription Drug Plans, Cost Plans, Medicare-Medicaid Plans (MMPs), and PACE Organizations

FROM: Jerry Mulcahy
Director, Medicare Enrollment and Appeals Group
Center for Medicare

SUBJECT: Release of Part D Creditable Coverage Period Determinations and the Late Enrollment Penalty (LEP) Guidance

This memo announces the release of the final version of Chapter 4 of the *Medicare Prescription Drug Benefit Manual*, Creditable Coverage Period Determinations and the Late Enrollment Penalty Guidance. This updated guidance will apply to all enrollments with an effective date on or after January 1, 2025.

The final version is attached, with updates based on comments received during the recent public comment period. We would like to thank all interested parties for their feedback.

Although model notices (Exhibits) and references to those Exhibits have been removed from the updated Chapter 4, Plans may continue to use the content and language from existing Exhibits, if all required data elements are included in the Plan's notifications.

Based on the review of public comments, we have made some changes to the final version of Chapter 4 including:

- Provided examples of non-creditable prescription drug coverage in § 20.1.
- Removed references to Medicare and the State Health Insurance Assistance Program (SHIP) in the creditable coverage cover letter requirements in § 40.2.
- Removed "check mark" requirement to consider an attestation complete in § 40.2.2.
- Revised Appendix so that the Beneficiary Notice of Yearly Change in Part D LEP Amount Notice is not required – the Plan may opt to include the annual Part D LEP amount changes in the individual's premium invoice/bill, as is current practice.
- Added regulatory and section cites as needed.
- Added clarifying language where appropriate.
- Made minor grammatical changes.

Please submit any questions related to the Creditable Coverage and Part D LEP Guidance to <https://enrollment.lmi.org/deepmailbox>.