

January 23, 2026

Annual CMS Medicare Part D Disclosure Due for Calendar Year Plans

Reporting creditable or non-creditable status to CMS

As part of the annual notification requirements under the Medicare Modernization Act, employer-sponsored group health plans that provide prescription drug coverage are required to disclose the plan's creditable or non-creditable coverage status to the Centers for Medicare & Medicaid Services (CMS). This online disclosure is due 60 days after the first day of each plan year, which is March 2, 2026, for 2026 calendar year plans (but see *Timing of the disclosure to CMS* below).

This alert provides a summary of the Medicare Part D disclosure requirements, including a review of:

- The employers subject to disclosure;
- The timing of the disclosure to CMS;
- The general contents of the disclosure; and
- Available CMS guidance and instructions.

This alert is relevant for any employers offering prescription drug coverage to any Medicare-eligible individuals. If you have any questions or need further details about the creditable coverage disclosure requirements, please contact your client service team.

Employers subject to the Medicare Part D disclosure

Employers offering group health plans with prescription drug coverage that cover Medicare-eligible employees, retirees, spouses, or dependents are subject to the Medicare Part D disclosure (and notification¹) requirements. The disclosure is required regardless of whether the coverage is primary or secondary to Medicare.

¹Distributing Medicare Part D notices is a separate employer responsibility, through which the employer notifies the participants of the creditable status of the drug plan(s). See our [Alert](#) for details.

Highlights

Overview

Employer-sponsored group health plans, including certain ICHRAs, that provide prescription drug coverage are required to disclose the plan's creditable or non-creditable coverage status to CMS.

This online disclosure is due 60 days after the first day of each plan year, which is March 2, 2026, for 2026 calendar year plans.

Distributing Medicare Part D notices is a separate employer responsibility, through which the employer notifies the participants of the creditable status of the drug plan(s).

Affected employers

This alert is relevant to employers offering prescription drug coverage to Medicare-eligible employees, retirees, spouses, or dependents.

The disclosure is required regardless of whether the employer's coverage is primary or secondary to Medicare.

If you sponsor a group health plan with prescription drug coverage, or an ICHRA that reimburses Code §213(d) qualified medical expenses, you should comply with both the disclosure and notice requirements.

Employers offering an Individual Coverage Health Reimbursement Arrangement (ICHRA) that reimburses Code §213(d) qualified medical expenses are also subject to the Medicare Part D disclosure requirements.² Most ICHRAs do not directly include prescription drug coverage and should be disclosed as non-creditable coverage.

A safe assumption: If you are an employer sponsoring a group health plan with prescription drug coverage, this disclosure requirement likely applies to you, and you should comply with both the disclosure and notice requirements.

Timing of the disclosure to CMS

There are three events that trigger submission of the disclosure. The disclosure must be completed:

1. Within 60 days after the first day of the plan year (**March 2, 2026**, for 2026 calendar year plans);
2. Within 30 days of a mid-year change in the prescription drug plan's status (from creditable to non-creditable or vice versa); and
3. Within 30 days of termination of the plan.

Believe it or not: There are no enforcement penalties or sanctions for failing to timely file this disclosure with CMS or even for failing to file it at all. It is recommended that affected employers complete this filing, but not surprising that non-compliance is high.

The general contents of the disclosure to CMS

Employers sponsoring at least one prescription drug plan, or ICHRA described above, in which a Medicare-eligible individual is enrolled (or could be enrolled) are required to complete the [online](#) disclosure. No other filing methods are allowed.

The contents of the disclosure include:

- General employer information – Employers should report using the name and federal ID number (EIN) of the plan sponsor. If multiple employers within a controlled group are covered under the same plan, the EIN for the parent company (or other entity, if it is the plan sponsor) may be used under a single filing. If each individual entity reports separately, each should report using its own EIN. The EIN of the insurance carrier or third-party administrator should not be used.
- The type of coverage (“Group Health Plan: Employer Sponsored Plan”).
- Plan option information – Employers must report the number of prescription drug options offered and the creditable or non-creditable coverage status for each.³ This is based on the number of group health plan options offered with different prescription drug benefits with the same plan year.
- The estimated number of Medicare Part D individuals covered under each plan.

² ICHRAs that reimburse Code §213(d) qualified medical expenses are also required to distribute the Medicare Part D notice to plan participants using the Part D non-creditable model notice from CMS. If the ICHRA is limited to only reimbursing individual health insurance premiums and Medicare premiums, the notice does not need to be distributed.

³ Employers should exclude options receiving a Medicare retiree drug subsidy.

- The most recent date (MM/DD/YYYY) that the required annual creditable or non-creditable [Medicare Part D Notice](#) was distributed to participants.

How accurate do I have to be? CMS will accept a reasonable estimate of how many Medicare eligible individuals are covered. Remember that individuals can be Medicare eligible based on age, disability, or end-stage renal disease.

Available CMS instructions

CMS provides instructions in its [Creditable Coverage Disclosure to CMS Form Instructions and Screen Shots](#). Information regarding the creditable coverage requirements under the Medicare Prescription Drug, Improvement, and Modernization Act is available on the [CMS Website](#).

About the author



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