

Re: 2026 MHC Small Group RX Creditable Coverage

We have completed testing for the 2026 MHC Small Group prescription drug coverage options for creditable coverage under Centers for Medicare and Medicaid Services (CMS) requirements. The results of our testing are summarized in the list below. The list is separated into those that we estimated to be creditable under CMS requirements under most reasonable utilization assumptions for Medicare-eligible individuals (PASS) and those that we estimated are not creditable under CMS requirements for Medicare eligible individuals (FAIL).

Plans that **PASS** creditable coverage requirements:

Peak PPO (MT & ID)

- Peak PPO Gold
- Peak PPO Gold HDHP
- Peak PPO Silver
- Peak PPO Silver HDHP
- Peak PPO Bronze HDHP

Plus Plans (MT)

- Plus Gold
- Plus Gold HDHP
- Plus Silver
- Plus Silver HDHP
- Plus Bronze HDHP

Rocky Mountain Plans (MT)

- Rocky Mountain Gold
- Rocky Mountain Gold HDHP
- Rocky Mountain Silver
- Rocky Mountain Silver HDHP
- Rocky Mountain Bronze HDHP

LINK Plans (ID)

- Link Platinum
- Link Gold
- Link Silver HDHP
- Link Bronze HDHP

Plans that **FAIL** creditable coverage requirements:

Peak PPO Bronze **(MT & ID)**
Plus Bronze **(MT)**
Rocky Mountain Bronze **(MT)**
Link Silver **(ID)**
Link Bronze **(ID)**

Background

Under the regulations at 42 CFR§423.56 of the MMA, entities that provide prescription drug coverage to Medicare eligible beneficiaries must disclose at least annually whether the entity's coverage is "creditable prescription drug coverage." In addition, entities must file a disclosure form with CMS annually regarding their plans' creditable coverage status.

Coverage is creditable if the actuarial value of the coverage equals or exceeds the actuarial value of standard prescription drug coverage under Medicare Part D, as demonstrated through the use of generally accepted actuarial principles and in accordance with the CMS actuarial guidelines. In general, the actuarial equivalence test measures whether the expected amount of paid claims under the entity's prescription drug coverage is at least as great as the expected amount of paid claims under the standard Part D benefit

Creditable coverage notices are important for Medicare eligible active and retired employees that may later opt out of the entity's coverage and enroll in Part D. In order to avoid incurring late enrollment penalties upon opting out, Medicare eligible actives and retirees must provide creditable coverage notices to the Part D plan they seek to enroll in. These creditable coverage notices should cover the time period from when the employee first became eligible for Medicare to the time they opt out of the entity's plan and enroll in Part D.

******"The list of standard pharmacy benefit designs included in this notice has been reviewed. Employers with pharmacy benefit plans administered by MHC may use this information as a starting point for determining whether a prescription drug plan satisfies the requirements of creditable coverage. The employer retains ultimate responsibility for determination that the plan, as implemented, provides creditable coverage. MHC is not responsible for any loss or liability associated with your reliance on this evaluation of the creditability of your group's prescription drug coverage."