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July 10, 2006

Centers for Medicare & Medicaid Services  
Office of Strategic Operations and Regulatory Affairs  
Division of Regulations Development—C  
Attention: Bonnie L. Harkless  
Room C4-26-05  
7500 Security Boulevard  
Baltimore, MD 21244-1850

**RE: Form Number: CMS 10182 (OMB# 0938-0990),  
Model Creditable Coverage Disclosure Notices**

Dear Sir/Madam:

Hewitt Associates (www.hewitt.com) is a leading global provider of human resources consulting and outsourcing services. Our company consults with more than 2,300 companies and administers human resources, health care, payroll, and retirement programs on behalf of more than 300 companies for millions of employees worldwide. Our clients include more than half of the *Fortune* 500® companies and more than one-third of the *Fortune* Global 500® companies.

**Model Personalized Creditable Coverage Disclosure Notices**

Hewitt has reviewed the Model Personalized Creditable Coverage Disclosure Notices with large employers and we are developing functionality in our benefits administration system to produce the notice. One issue that has arisen from employers concerned about data privacy is the fact that a Social Security number (SSN) is included on the notice.

Due to federal and state privacy laws and employer-directed privacy efforts, employers have strongly encouraged us (and their other benefit providers, carriers, and insurance companies) not to print SSN on any statements sent to employees, retirees, or family members. Employers are concerned about the possibility of identity theft that could potentially result from the SSN being printed on these statements.

Employers, however, are also concerned with meeting the compliance requirements associated with the Model Personalized Creditable Coverage Disclosure Notice. Since the model notice includes the SSN, employers are unclear what to do.

Hewitt, employers, and most providers of administrative services recognize the need to identify the individuals that have creditable prescription drug coverage in the employer's plan and the dates of that coverage. Privacy concerns with using the SSN have caused us to use other data elements, e.g., birth date, for identity purposes in similar situations. We have found it critical to use data elements that are easily recognizable by individuals as well as data maintained by both the employer and the services providers.

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### ***Recommendation***

Hewitt recommends that CMS consider updating the model personalized notice to replace the SSN with birth date to satisfy both the requirement to identify the individuals included on the notice and also to protect the privacy of their SSNs. Birth date is one of the few data elements that is known by the individual and that all other parties (employer, benefits administrator, health plan, health care provider) already have on file.

We and other service providers would be willing to include an alternative data element (in lieu of SSN or birth date) as an identifier on the notice, a data element that would be recognized by the individual and on file. The private sector is currently moving away from including SSNs on printed documents, all for the best of reasons.

### **All Model Creditable Coverage Disclosure Notices**

In our review of all the model notices with employers, we have several suggestions that would improve their readability for Medicare beneficiaries and simplify the production and distribution of the notices for employers. Those suggestions are detailed below.

### ***Standardize Language***

The language used in the Model Beneficiary **Creditable** Coverage Disclosure Notice, the Model Beneficiary **Non-Creditable** Coverage Disclosure Notice, and the Model Personalized Disclosure Notice are very similar, but not exactly the same. We suggest that CMS standardize the portions of these notices that are common across all three notices. This would leave no room for confusion on the part of Medicare beneficiaries that received the notices (e.g., a Creditable Coverage Disclosure Notice plus a Personalized Disclosure Notice). It would also simplify the process of developing and maintaining the versions of the notices for employers and service providers.

### ***Consequences of Enrolling in a Medicare Part D Plan***

We agree with CMS that Medicare beneficiaries must clearly understand the impact a Medicare Part D enrollment would have on employer-provided prescription drug coverage. However, the current language in the Model Beneficiary **Creditable** Coverage Disclosure Notice could confuse Medicare beneficiaries. The current language states:

“If you do decide to enroll in a Medicare prescription drug plan and drop your [Insert Name of Entity] prescription drug coverage, be aware that you and your dependents may not be able to [Medigap issuers must replace “*may not be able to*” with “*cannot* “] get this coverage back.



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Please contact us for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.”

We think this language could be very confusing to beneficiaries in many instances. For example, many employers’ retiree health care plans will coordinate with a Medicare Part D plan. This allows individuals to be enrolled in both the retiree health care plan and a Medicare Part D plan, so it’s not a question of dropping one or the other. Therefore, including the language detailed above in the notice could be very confusing to Medicare beneficiaries. This is especially true because the next paragraph in the notice includes a detailed description of what happens to an individual’s retiree health care plan coverage upon a Medicare Part D plan enrollment and that impact could be inconsistent with the model language.

Similarly, we believe it would also be confusing to instruct all Medicare beneficiaries and family members to contact the employer, health plan, or benefits administrator for additional detail around the impact of enrolling in a Medicare Part D plan when that impact is explained in the next paragraph of the notice. Medicare beneficiaries may worry that they cannot rely on the notice and therefore make otherwise unnecessary phone calls to the employer, health plan, or benefits administrator, further burdening administrative resources.

We suggest using the following language instead:

“If you do decide to enroll in a Medicare prescription drug plan, be aware that this will affect your [Insert Name of Entity] coverage. Detailed below is more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.”

#### **Creditable Coverage Disclosure to CMS**

While the Creditable Coverage Disclosure to CMS (Disclosure) is not specifically the subject of this Federal Register notice, Hewitt would like to take this opportunity to suggest that CMS consider a method whereby employers can confirm that CMS has indeed received the Disclosure that employers have filed.

When the required Disclosure was made to CMS on or before March 31, 2006, employers should have received a brief pop up screen, as follows:



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***“Creditable Coverage Disclosure – Record Add***

*The information was inserted successfully.*

*If you are done entering records you may CLOSE your browser.”*

Some employers did not print this page for their records and would like to confirm CMS’ receipt of the Disclosure. Other employers would like additional assurance that CMS received the Disclosure. For these reasons, employers would like the ability to confirm that the Disclosure was received by CMS. If there is currently a procedure in place whereby employers can get this confirmation, employers would welcome knowing that. Or, if that functionality is not currently available, Hewitt recommends that the capacity for employers to get this confirmation be addressed.

**In Closing**

We would like to thank CMS for the opportunity to provide input on the proposed model Creditable Coverage Disclosure Notices. If you would like to discuss any of our suggestions in more detail, we would be pleased to do so.

Sincerely,

Hewitt Associates LLC

Karen F. Frost

Frank McArdle

cc: Mark Hamelburg, CMS  
Catherine Windfield-Jones, CMS

Sent via UPS Next Day Air