



Health Net®

Health Net, Inc.  
PO Box 9103  
Van Nuys, CA 91409-9103  
Membership Accounting: CA-100-43-03

www.healthnet.com/employer

September 2017

«GROUP»  
«ADMIN»  
«ADDR1» «ADDR2»  
«CITY», «STATE» «ZIP»

**Dear Valued Client,**

A key priority at Health Net of California, Inc. and Health Net Life Insurance Company (Health Net) is providing you with timely and relevant information about your health plan. This letter contains information about your pharmacy plan.

### **Pharmacy Plan Creditable Coverage Notification**

*Please read this notification if you purchase pharmacy benefits through Health Net. Each year, you must notify your employees of the creditability status of your pharmacy plan(s).* Medicare regulations require employers that provide prescription drug coverage through a group-sponsored health plan to annually disclose to their Medicare-eligible employees and to their retirees, whether their prescription drug coverage is “creditable” or “non-creditable.”

Health Net has assessed its 2017–2018 commercial pharmacy plans<sup>1</sup>. While most plans are considered creditable, because they meet or exceed the actuarial value of the standard 2018 Medicare Part D benefit, there are some Health Net plans that have been deemed non-creditable.

Attached is a list of non-creditable pharmacy plans for your reference so that you can notify your Medicare-eligible employees and dependents. Please check this list for your current commercial pharmacy plans or any Health Net pharmacy plan changes you may be considering for January 1, 2018, or later. If you do not find your commercial pharmacy plan in the attached list, it is considered creditable. Please note that HSA-compatible pharmacy plans can be either creditable or non-creditable, depending upon whether the plan is primary or secondary to Medicare.

**Please notify your Medicare-eligible employees and dependents about the creditability status of each of your Health Net pharmacy plans prior to Medicare’s Annual Election period, which begins October 15, 2017. Medicare also requires employers to complete the “*Online Disclosure to CMS Form*” and submit it to CMS annually, no later than 60 days from the beginning of the plan year, within 30 days after any change in creditable coverage status, or within 30 days of terminating the prescription drug plan.**

(continued)

<sup>1</sup> Medicare 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.  
EGP2017\_0005 Health Net of California, Inc. has a contract with Medicare to offer HMO and HMO SNP plans. Health Net Life Insurance Company has a contract with Medicare to offer PPO plans. Enrollment in a Health Net Medicare Advantage plan depends on contract renewal. Health Net HMO, EOA, POS, and Salud con Health Net HMO plans are offered by Health Net of California, Inc. Health Net PPO, HSA-compatible PPO insurance plans, HRA-eligible PPO insurance plans, Flex Net, and Salud con Health Net PPO and EPO insurance plans are underwritten by Health Net Life Insurance Company. Health Net of California, Inc. and Health Net Life Insurance Company are subsidiaries of Health Net, Inc. Health Net is a registered service mark of Health Net, Inc. All rights reserved.

Prescription drug coverage is defined as creditable when its actuarial value equals or exceeds the standard Part D prescription drug benefit. In general, the actuarial value of the benefit is determined by whether the prescription drug coverage is expected to pay out, on average for all participants, at least as much as the standard Part D coverage would pay in the 2018 calendar year. If the coverage does not equal or exceed the value of the standard Part D benefit, the pharmacy plan is considered non-creditable.

If one or more of your Health Net pharmacy plans is non-creditable and you wish to change to a creditable plan, please contact your Health Net account representative to discuss your options.

You can find more information on creditable coverage, along with the *CMS Model Beneficiary Creditable Coverage Disclosure Notice* and the *Online Disclosure to CMS Form*, in the employer section of the Centers for Medicare & Medicaid Services (CMS) website at <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/index.html>.

Please feel free to contact the Health Net Account Services Unit at 1-800-547-2967 with any questions. We appreciate your business, and we will continue to keep you informed of future updates to your health plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve J. Sell". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Steve J. Sell  
President  
Health Net of California, Inc.  
Health Net Life Insurance Company



## 2018 Non-Creditable Pharmacy Plans for California

**If you do not find your commercial pharmacy plan(s) in the list below, it is considered creditable.**

### Non-Creditable Pharmacy Plans for Large Groups (101 +)

Rx Plan Code	Product	Description (generic/brand/non-formulary)	Assumes Medicare is NOT Primary	Assumes Medicare is Primary
41J, 41T, 42J, 42T, 20C, 20D, 43Q, 43R, 46C, 46D, 46M, 46N, DFE, DGL, 37V, 37W, AVQ, AVR, AVU, AVV, 884, 885	HSA	\$10/\$25/\$50 \$5000 ind./\$10,000 fam. in network deductible	Creditable	Non-creditable
DFC, DGJ, 37R, 37S	HSA	\$10/\$25/\$50 \$4000 ind./\$8,000 fam. in network deductible	Creditable	Non-creditable
54H, 54J, 43A, 43B	HSA	\$15/\$30/\$50 \$4,500 ind./\$9,000 fam. in network deductible	Creditable	Non-creditable
11B	Flex Net	20% coinsurance, \$75 deductible, \$3000 calendar year maximum	Non-creditable	Non-creditable
CN0, CN2, CN3	HSA	30% coinsurance \$2,500 ind./\$5,000 fam. in network deductible	Creditable	Non-creditable
CN7, CN8, CNJ, CNK	HSA	30% coinsurance \$2,850 ind./\$5,700 fam. in network deductible	Creditable	Non-creditable
CNB, CNL, CNM	HSA	30% coinsurance \$4,500 ind./\$9,000 fam. in network deductible	Creditable	Non-creditable
CNC	HSA	\$0/\$0/\$0 \$6,550 ind./\$13,100 fam. in network deductible	Creditable	Non-creditable
CK1, CJC, CJF, CK9, CM4	HSA	20% coinsurance \$4,500 ind./\$9,000 fam. in network deductible	Creditable	Non-creditable
CK0, CJ9, CMN, CLZ, CK8, CMQ	HSA	20% coinsurance \$3,000 ind./\$6,000 fam. in network deductible	Creditable	Non-creditable
DFK, DGP, 550, 554	HSA	30% coinsurance \$3,000 ind./\$6,000 fam. in network deductible	Creditable	Non-creditable

### Non-Creditable Pharmacy Plans for Small Groups (1 – 100)

Rx Plan Code	SBG/SHOP Plan description	Assumes Medicare is NOT Primary	Assumes Medicare is Primary
A08, A0G	Health Net Bronze 60 PPO 6000/70 + Infertility	Creditable	Non-creditable
A0C, A0U	Health Net Bronze 60 PPO 6000/70	Creditable	Non-creditable
A3Y, A4G	Health Net Bronze 60 PPO 6300/75 + Infertility	Creditable	Non-creditable
A3U, A4C	Health Net Bronze 60 PPO 6300/75	Creditable	Non-creditable
A8V, A9M	Health Net Bronze 60 PPO 6300/75 + Child Dental	Creditable	Non-creditable
A8Z, A9R	Health Net Bronze 60 PPO 6300/75 + Child Dental INF	Creditable	Non-creditable
A2X, B23	Health Net Bronze 60 HSP 6300/75	Creditable	Non-creditable
A3B, B27	Health Net Bronze 60 HSP 6300/75 + Infertility	Creditable	Non-creditable
25W, 25X	HSA 4500 VALUE GF (Non-MHPA)	Creditable	Non-creditable
35Q, 35R	PPO HSA 35 (PPO 4000) GF (Non-MHPA)	Creditable	Non-creditable
AAK, AAP	Health Net Bronze 60 HDHP 5600/15 EnhancedCare PPO + Child Dental Alt	Creditable	Non-creditable
AAL, AAQ	Health Net Bronze 60 HDHP 5600/15 EnhancedCare PPO + Child Dental Alt INF	Creditable	Non-creditable
A9A, A9S	Health Net Bronze 60 HDHP 5600/15 PPO + Child Dental Alt	Creditable	Non-creditable
A9B, A9T	Health Net Bronze 60 HDHP 5600/15 PPO + Child Dental Alt INF	Creditable	Non-creditable
A8G	EnhancedCare PPO Bronze HSA	Creditable	Non-creditable
A8H	EnhancedCare PPO Bronze HSA + INF	Creditable	Non-creditable
A55	Health Net Bronze 60 HSA PPO 4750/15 Alternate	Creditable	Non-creditable
A56	Health Net Bronze 60 HSA PPO 4750/15 Alternate + Infertility	Creditable	Non-creditable
A4H, A8A	Health Net PPO Bronze HSA	Creditable	Non-creditable
A4J, A8B	Health Net PPO Bronze HSA + Infertility	Creditable	Non-creditable
AZ5	CalChoice HSP Bronze \$45 /50%/\$6850	Creditable	Non-creditable
AZ8	CalChoice HSP Bronze \$45 /50%/\$6850 + Infertility	Creditable	Non-creditable
B50	CommunityCare HMO Bronze \$45	Creditable	Non-creditable
B53	CommunityCare HMO Bronze \$45 + Infertility	Creditable	Non-creditable