IHS Releases Updated Medicare Part D Creditable Coverage Letter Following Sustained Tribal Advocacy

Category: Policy Blog
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On October 15, 2026, the Indian Health Service (IHS) released an updated Medicare Part D Creditable Coverage Letter confirming that prescription drug coverage provided through IHS, Tribal Health Programs, and Urban Indian Organizations (UIOs) is creditable coverage for Medicare Part D purposes.

The update follows sustained work by Tribal leaders and Indian health partners, dating back to at least 2025, through the Centers for Medicare & Medicaid Services (CMS) Tribal Technical Advisory Group (TTAG) and the National Indian Health Board's Medicare, Medicaid and Health Reform Policy Committee (MMPC) IHS-Tribal Workgroup.

Why This Matters

Medicare Part D plans may charge late-enrollment penalties to people who do not maintain creditable prescription drug coverage. Under section 1860D-13(b) of the Social Security Act, prescription drug coverage offered through IHS, Tribal Health Programs, and UIOs is deemed creditable, so a Part D plan cannot require IHS beneficiaries to pay the late-enrollment penalty.

The updated IHS letter gives beneficiaries documentation they can provide to a Part D plan. The enclosed template states that a beneficiary who had I/T/U coverage during the enrollment gap must not be assessed a late-enrollment penalty. This addresses a practical problem Tribal representatives have raised through TTAG: American Indian and Alaska Native (AI/AN) beneficiaries who should not be subject to these penalties have been assessed them and have paid more for Medicare as a result.

Sustained Work Through TTAG and MMPC

TTAG advises CMS on Medicare, Medicaid, the Children's Health Insurance Program, and other CMS programs, and the MMPC provides technical support to TTAG. Through these forums, Tribal representatives and technical advisors worked with IHS and CMS over many months to develop an updated letter that beneficiaries can use to document their coverage, and to resolve outstanding questions about it. We appreciate IHS's work to bring the letter across the finish line.

NCUIH is honored to participate in TTAG alongside Tribal leaders, bringing the UIO perspective into CMS policy discussions, with NCUIH policy staff serving as technical advisors.

What the New Letter Means for Tribal Health Programs and UIOs

IHS's final materials apply across the I/T/U system. The letter is addressed to Tribal Leaders and Urban Indian Organization Leaders, and Tribes and UIOs may use the IHS template as provided or adapt it to their own letterhead and operational practices. IHS encourages I/T/U Registration, Benefits Coordination, Business Office, and Pharmacy staff to tell Medicare-eligible beneficiaries about the letter and help them obtain it when needed. IHS also encourages each organization to identify a local point of contact and establish a process for providing letters on request.

The letter may be particularly important when a beneficiary:

- enrolls in Part D after their Initial Enrollment Period and needs to document prior creditable prescription drug coverage; or
- requests reconsideration of a Part D late-enrollment penalty determination.

The beneficiary template also explains that Part D enrollment can help the IHS, Tribal, or Urban Indian health program providing care receive reimbursement for medications, which supports staff, programs, and services for patients and communities.

NCUIH thanks Tribal leaders, the National Indian Health Board, and IHS for their work on this issue. We will continue working alongside Tribal leaders and Indian health partners through TTAG so that Indian Health Care Providers, Tribal and urban, and the Native people they serve are reflected in federal Medicare and Medicaid policy.

Link: IHS Dear Tribal Leader and Urban Indian Organization Leader Letter and enclosed template