



Understanding the Medicare Advantage and Medicare General Enrollment Periods

The Medicare Advantage Enrollment Period and Medicare General Enrollment Period both take place every year from January 1 to March 31. The Medicare Advantage Open Enrollment Period allows beneficiaries in Medicare Advantage plans an opportunity to make a change to their coverage if they did not take action during the fall annual open enrollment period or tried out their Medicare Advantage plan in 2023 and discovered it did not meet their health or drug needs. The General Enrollment Period is for individuals who did not enroll in Medicare when they were first eligible, but would like to enroll this year.

Medicare Advantage Open Enrollment Period

The Medicare Advantage Open Enrollment and Disenrollment Period is taking place now through March 31st. This Medicare enrollment period takes place annually from January 1 to March 31. It allows a Medicare beneficiary in a Medicare Advantage (MA) plan to make a **one-time switch** to another Medicare Advantage plan or return to Original Medicare Parts A and B. Only individuals currently enrolled in Medicare Advantage plans are able to use this enrollment period. Individuals who choose to return to Original Medicare will also receive a special enrollment period to enroll in a stand-alone prescription drug plan that covers only drugs. Any changes made during this enrollment period will take effect the first of the month following the month the beneficiary submits their enrollment.

It is important to note that beneficiaries who choose to use this enrollment period to return to Original Medicare do not receive guaranteed issue rights to purchase a Medicare Supplement policy (Medigap plan). This means that their Medigap plan choices may be limited, or beneficiaries may be charged more or denied coverage for having a pre-existing health condition.

Medigap plans are not required to sell beneficiaries a Medigap policy if they are beyond their Medigap Open Enrollment Period which lasts for six months from a beneficiary's Part B effective date. However, in Illinois Blue Cross Blue Shield offers guaranteed issue Medigap policies to beneficiaries age 65 and older regardless of their health history or pre-existing conditions at any time during the year.

This is a good opportunity for individuals in Medicare Advantage plans who discovered after the annual Medicare Open Enrollment Period (October 15 – December 7) ended that their current MA plan does not suit their health or prescription drug needs. Some examples include, finding out a medical provider is not in-network with their plan, a non-covered prescription drug, a service they need has prior authorization and has been denied, or the beneficiary did not realize how Medicare Advantage plans work when they signed up and want to return to Original Medicare. To learn more about the Medicare Advantage Open Enrollment Period, visit <https://www.medicare.gov/sign-up-change-plans/joining-a-health-or-drug-plan>.

Medicare General Enrollment Period

When an individual becomes eligible for Medicare, they usually enroll in Medicare during their Initial Enrollment Period (IEP) which is the time period that begins three months before their Medicare eligibility date and lasts for up to three months after their Medicare eligibility date. Other individuals may decide to delay enrolling in Medicare because they have other coverage that is primary to Medicare through their own, a spouse's, or a family member's current employment. These individuals receive a special enrollment period (SEP) to enroll in Part B without penalty when their primary coverage through an employer group plan ends or they stop working, whichever happens first. Individuals who did not enroll in Medicare using their IEP or a SEP, will have to use the Medicare General Enrollment Period (GEP) to enroll.

The Medicare GEP is an annual period of time (January 1 - March 31) that allows Medicare beneficiaries to enroll in Medicare Part A and/or Part B if they did not enroll when they were first eligible for Medicare. This may include individuals who chose not to enroll in Medicare because of Medicare premium costs or because they were unaware of the enrollment timelines.

Due to the [Beneficiary Enrollment and Eligibility Simplification Act](#), there is no longer a waiting period for Medicare coverage to begin when beneficiaries use the General Enrollment Period. Beginning 2023, Individuals who use the GEP to enroll in Medicare will have their coverage begin the month after the month the enrollment request is submitted. This law also eliminates any waiting period for coverage when someone enrolls in the last three months of their IEP.

Individuals who use this enrollment period usually have to pay a late enrollment penalty in addition to their Medicare premiums.

Medicare Part A

Premium-free Part A: Individuals who are eligible to enroll in premium free Medicare Part A can sign up for Part A at [any time](#) even if they missed their IEP or the opportunity to use a SEP once their employer health coverage came to an end. Individuals who are eligible for premium-free Part A include people who have enough Social Security covered work credits (also called quarters) through their own or spouse's work history. These individuals can enroll at any time of the year and do not have to pay a late enrollment penalty for Part A. Their Part A coverage will be retroactive from six months from the date they sign up given eligibility during that period.

Premium Part A: Individuals who are eligible to purchase Part A but do not have enough work credits must use the Medicare GEP to enroll by contacting the Social Security Administration., (SSA). Enrollments can only be submitted January 1 through March 31 and coverage will be effective the following month after enrollment. Individuals who do not qualify for Medicare Part A premium free, must pay a monthly premium that is based on their number of Social Security covered work credits.

In 2023, the monthly premiums for Part A are \$278 each month for beneficiaries with 30-39 work credits and \$506 each month for beneficiaries with less than 30 credits. Note, that individuals who enroll in Part A must also enroll in Part B or already be enrolled. In addition, Part A late enrollment penalties usually apply for this group of individuals and is 10% of the individual's Part A premium. The penalty is capped, meaning they do not have to pay it for life, but must pay it for twice the number of years the individual was eligible for Part A but did not enroll. For example, if Dylan was eligible for Part A for two years but did not enroll, they will have to pay the late enrollment penalty for four years (the penalty is in addition to the monthly Part A premium which varies depending on how many work credits a person has accrued). To

learn more about the Part A late enrollment penalty, visit <https://www.medicare.gov/your-medicare-costs/part-a-costs/part-a-late-enrollment-penalty>.

It is important to mention that because the Part A monthly premium is expensive, some individuals may want to explore alternative, less costly coverage options, such as Medicaid, Medicaid Spenddown or the Marketplace. **Individuals who are not eligible for premium-free Medicare Part A are eligible to purchase a Marketplace plan instead of Medicare if they choose.** For some people, coverage through the Marketplace may be a more cost effective option if they are eligible to receive premium tax subsidies and/or cost sharing assistance.

Medicare Part B

Enrollment in Medicare Part B for people who missed their initial eligibility date or SEP is the same for all eligible beneficiaries, regardless of whether they have accrued enough work credits or not. Individuals who did not sign up when they were eligible will only be able to do so during the Medicare GEP (January 1 - March 31) with coverage beginning the month after enrollment request. In addition, a late enrollment penalty usually applies, which is 10% of the standard Medicare Part B premium for every full 12 months a beneficiary was eligible but did not enroll. The Part B penalty is not capped, which means the longer an individual goes without enrolling in Part B, the higher the penalty will be. The individual must pay the Part B penalty for as long as they are enrolled in Part B. (Note that Medicare beneficiaries with a disability under age 65 and a Part B penalty will have their penalty waived when they turn 65.) To read more about this general enrollment period and the late enrollment penalty for Part B, visit <https://www.medicare.gov/your-medicare-costs/part-b-costs/part-b-late-enrollment-penalty>.

Medicare Savings Programs and Help Paying for Medicare Premiums

Medicare Saving Programs (MSPs) can assist beneficiaries pay for Medicare Part A and/or Part B premiums if they are found eligible. MSPs are administered through the state Medicaid program and assist beneficiaries pay for Medicare premiums, deductible and cost-sharing depending on which MSP a beneficiary qualifies for. The three MSPs include:

- Qualified Medicare Beneficiary (QMB) pays for the Medicare Part A and part B monthly premiums, deductibles and co-insurance amounts (including Part A premiums for individuals who are not eligible for premium free Medicare Part A)
- Specified Low-income Medicare Beneficiary (SLMB) pays the monthly Part B premium
- Qualified Individual (QI) pays the monthly Part B premium

Medicaid determines eligibility and the type of MSP based on a beneficiary's income and assets. MSPs also pay eligible beneficiaries' late enrollment penalties.

However, individuals who qualify for QMB and are not eligible for premium-free Part A will have to use the Medicare GEP to enroll in Part A since the state of Illinois does not have a Part A buy-in agreement with CMS (Illinois is a group payer state). They will first need to contact SSA and request conditional premium Part A enrollment which means that SSA will only enroll them in Part A if Medicaid approves their QMB application and pays their Part A and Part B premiums. Once the individual applies for conditional Part A enrollment with SSA, they should then apply for MSP. If approved, Part A coverage will begin the month of MSP approval. Justice In Aging recommends counseling clients to "use the magic words. When you send a client to the SSA office, tell the client to say that they want to apply for conditional Part A enrollment under HI 00801.140 in order to apply for the state QMB program"