



Medigap/Medicare Supplement: Open Enrollment and Guaranteed Issue

Open Enrollment for Medigap (Medicare Supplement) policies is quite different than the Annual Election Period (AEP) for Medicare Advantage. These terms are often used interchangeably, which has created some confusion. The purpose of this document is to expand on the term “Open Enrollment,” revealing the uniqueness of the election period.

Open Enrollment for Medigap/Medicare Supplement: The six-month enrollment period for qualified individuals to apply for any of the carriers’ Medigap policies. Applying during this period allows the individual to bypass medical underwriting requirements regardless of any health issues. This enrollment period automatically begins the month the member turns 65 and is enrolled in Medicare Part B. If Part B is delayed, the Open Enrollment for the Medigap election period will begin the month the member becomes effective in Part B (the member still needs to be age 65).

Here are a few examples:

1. *Jon turns 65 on May 27, 2020. He decides to take Part B right away, upon eligibility. Therefore, Jon’s Open Enrollment period will run from May-October 2020.*
2. *If Jon decided to pick up a Medicare Advantage policy instead, his Initial Coverage Election Period (ICEP) would run from February-August 2020 (three months before he turns age 65, month of birthday, and three months after).*
3. *Julie turns 65 on June 18, 2017. She takes Part A, but decides to delay enrollment in Part B. Her group coverage, in alignment with Medicare Secondary Payer (MSP) laws, allows her to delay Part B. When she leaves group coverage, she enrolls in Part B. She is granted an effective date of August 1, 2020. Her Open Enrollment Period for Medigap would be August 2020 through January 2021.*

Guaranteed Issue Right(s): In certain situations, an insurance company cannot refuse to sell an individual a Medigap policy. Under these circumstances, the insurer must cover all pre-existing conditions and cannot charge more because of any health issues, past or present. Examples of Guaranteed Issue:

- You have original Medicare and an employer group health plan (includes retirees and COBRA) or union coverage ending soon that pays after Medicare pays.
- You move out of the plan’s service area, or that plan is discontinuing Medicare.
- You dropped a Medigap policy to pick up a Medicare Advantage plan for the first time. You have been in the plan less than a year, and you want to switch back to Medigap (referred to as TrialRight).
- If your Medigap insurance company goes bankrupt and you lose your coverage, or your policy otherwise ends through no fault of your own.
- You drop a Medicare Advantage or Medigap policy because the company has not followed the rules, or it misled you.
- You joined a Medicare Advantage Plan or Programs of All-inclusive Care for the Elderly (PACE) when you were first eligible for Medicare Part A at age 65, and within the first year of joining, you decide you want to switch to original Medicare (TrialRight).
- You have original Medicare and a Medicare SELECT policy. You moved out of the Medicare SELECT policy’s service area.

Note: It is possible that the Medigap/Medicare Supplement insurance company will ask for proof of Guaranteed Issue. It is advisable that the individual keeps a copy of any documentation that proves coverage is being terminated (letters, notices, emails, claims or denials, etc.).

Medigap/Medicare Supplement members moving to another state will not receive a guarantee issue right to purchase another Medigap/Medicare Supplement contract. The Medicare network allows these contract holders to use their coverage nationwide. Their coverage is portable and may be maintained in another state.