

Medicare Advantage, did you know?

My client wants their old Medicare Supplement back. Now what do I do?

You have a client who enrolled for the first time in a Medicare Advantage plan with prescription drug coverage and after a few months, she calls you and wants to switch back to Original Medicare and her Medicare Supplement. “No Problem” you say since you know she is entitled to make a change within the first 12 months. You make a call to the Medicare Advantage carrier and you run into a roadblock. You hear “She must wait until the next open enrollment period”. Your frustrated client then contacts the Centers for Medicare & Medicaid Services (CMS) who also confirms what the carrier told you. Now what do you do?

Here’s the key. While changes to the Medicare Advantage plan are permitted within the first 12 months for a first-time enrollee, a client is not permitted per CMS rules to disenroll from the prescription drug program. You need to complete a Part D application and mark the Special Election Period (SEP) oval that is in the “Office Use Only” portion of the application. It’s a good idea to **have the client attach a signed letter describing how the client intends to exercise the Special Election Period to retain drug coverage while returning to Original Medicare and her Medicare Supplement plan.**

For the client seeking to return to Original Medicare within the 12 month “free look” period, the Special Election Period marked on a Part D application will start the disenrollment process. Phone calls and letters requesting the Medicare Advantage plan to be terminated are not necessary and will prove to be a waste of time. CMS only recognizes the Special Election Period on the Part D application to begin the process for the Medicare Advantage disenrollment.

Special Election Periods are not that well understood and frequently overlooked by agents. A Special Election Period can also be exercised (by marking the SEP oval on the app) for enrolling a client into a Medicare Advantage plan when receiving Medicaid assistance or on Medicare disability at any time during the year.

Medicare Advantage plans are new and with changes come the potential for confusion. For the agent with all the right answers on Medicare Supplement, Medicare Advantage and Prescription Drug plans, opportunity awaits.

To become certified to sell Medicare Advantage or to become contracted with one of our carriers call us at 1-800-264-0654.