

## Medigap Open Enrollment Period

### Medigap policy

Medigap, also known as Medicare Supplemental Insurance, is an insurance policy sold by private insurance companies to help beneficiaries pay for their [out-of-pocket costs in Medicare Parts A & B](#). Medicare beneficiaries may apply for Medigap at any time of the year, but may be charged more or denied a policy outside the Medigap Open Enrollment Period (MOEP).

### Medigap Open Enrollment Period (MOEP)

The MOEP, based on federal law, requires insurance companies to sell Medigap policies at preferred rates (lowest price). Some state laws add consumer rights, like allowing a MOEP for people under age 65. Additionally, states have the responsibility to oversee the conduct of Medigap companies, agents, and brokers. For state-specific Medigap information, contact the [State Health Insurance Assistance Program](#) (SHIP) or find contact information for your State Insurance Department at the [National Association of Insurance Commissioners website](#). States publish a Medigap shopping guide that lists state laws and Medigap monthly premiums to help beneficiaries compare plans.

### *The Medigap Open Enrollment Period for those age 65 or older*

As required under federal law, the MOEP is a one-time, six-month period in which a Medigap company cannot refuse Medigap coverage when the applicant meets both these requirements:

1. Is aged 65 or older, and
2. Enrolled in Medicare Part B



### *When should those age 65 and older apply?*

#### Retired and age 65 or older

A Medigap application can be submitted prior to the Medicare Part A & B effective (start) dates but requires a Medicare number. If retired, consider applying for Medigap on receipt of the Medicare card, one to three months before the 65<sup>th</sup> birthday month, to allow time for the application to be processed and to start Medigap the same month that Medicare becomes effective.

### Working and age 65 or older

People working, or whose spouse is working, with health insurance through an Employer Group Health Plan (EGHP), including the Small Business Health Options Program (SHOP) Marketplace, can delay enrolling in Medicare Parts A & B and avoid late enrollment penalties, so long as their employer has more than 20 employees. Delaying Part B enrollment delays their MOEP too. When EGHP coverage ends, these individuals will get an eight-month Special Enrollment Period to join Parts A & B. Their MOEP will begin the month they are first enrolled in Part B.

### ***The Medigap Open Enrollment Period for those under age 65***

Just like people aging into Medicare, people eligible for Medicare under age 65 can apply for Medigap any time after receiving their Medicare number. However, federal law does not require a MOEP for Medicare beneficiaries under age 65. Therefore, there is no federal assurance that younger Medicare beneficiaries will be issued a Medigap policy.

Some states added to the federal law and require a MOEP for those under age 65. To learn more about additional consumer rights in states, contact your [SHIP](#) or [State Insurance Department](#).

### **Pre-existing Condition Waiting Period and MOEP**

#### ***Creditable coverage***

There is no pre-existing condition waiting period for beneficiaries with “creditable coverage” during the six months prior to submitting a Medigap application. Creditable coverage for Medigap differs from the definition of creditable coverage for Medicare Part D.

Medigap creditable coverage is previous health insurance that the beneficiary had prior to enrolling in Medicare/Medigap. Most forms of health insurance count as creditable coverage, including employer group health plans, COBRA, retiree coverage, Medicaid, and Qualified Health Plans purchased through the health insurance Marketplaces, as long as there was no break in coverage for more than 63 days during the six months before enrollment.

#### ***Lack of creditable coverage***

While a beneficiary who applies for Medigap during the MOEP cannot be denied a policy, a maximum pre-existing condition waiting period of six months can be applied to beneficiaries that lacked creditable coverage during the six months before submitting an application. If the beneficiary had coverage during some portion of the six months before

their application, then the waiting period will be reduced by the number of covered months.

For example, Mr. Jones turns 65 and will start Medicare Part B in May. He worked and had EGHP coverage until January. He stockpiled his heart medication and decided to remain uninsured from February until May when his Medicare begins to save money on premiums. He applies for Medigap in April so it will become effective in May when Medicare begins. He may face a three month pre-existing condition waiting period for his heart condition because he didn't have creditable coverage for three of the six months prior to his application. During this waiting period, Medicare will continue to pay for any treatment for his heart condition and other health issues, but Medigap will not pay second for any cost-sharing Mr. Jones may incur related to his heart condition.

Insured			Pre-Existing Waiting Period					
November	December	January	February	March	April	May	June	July
Mr. Jones had employer coverage					Submitted Medigap application	Medicare & Medigap begin		

## Resources

Centers for Medicare & Medicaid Services, [Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare](#), 2017.

Centers for Medicare & Medicaid Services, Medicare and Marketplace [Frequently Asked Questions Updated 4-28-16](#)

Centers for Medicare & Medicaid Services, [Medicare Supplemental Insurance Webpage](#)

Centers for Medicare & Medicaid Services, National Training Program [Medigap Training Module](#)

National Association of Insurance Commissioners, [Types of Health Insurance to Help Cover Seniors' Costs](#)

National Association of Insurance Commissioners, Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act [MDL-650 Section 11](#)