

Medicare Advantage: Enrollment and Disenrollment Basics

There are limited times of the year during which people with Medicare can enroll (and disenroll) from a private Medicare Advantage health plan.

When can my client join a Medicare Advantage plan?

People who are new to Medicare have an Initial Enrollment Period (the 7-month period surrounding their month of entitlement to Medicare) to enroll in Medicare Parts B and D. Simultaneous with this IEP, people who are new to Medicare also can enroll in a private Medicare Advantage health plan.

The ICEP, or the Initial Coverage Election Period, refers to the period during which people who are newly eligible for Medicare can enroll in a Medicare Advantage plan. During the ICEP, your clients can enroll in a Medicare Advantage health plan with or without prescription drug coverage. **The ICEP occurs simultaneously with the IEP for Part B and Part D.**

The ICEP begins 3 months before the month of entitlement to Medicare (e.g., the person's 65th birthday). However, unlike the IEP for Parts B and D, the ICEP ends either the last day of the month before your client enrolls in both Parts A and B *or* the last day of your client's IEP for Part B – whichever is later. Here are two examples to help better illustrate:

Example #1: Mary turns 65 on June 15. She enrolls in both Parts A and B, with coverage taking effect June 1. Her ICEP to enroll in a Medicare Advantage plan is the 7-month period surrounding her birthday month (June). Therefore, her ICEP begins March 1 and ends September 1. If she chooses to enroll in a Medicare Advantage plan, her coverage in this plan cannot take effect before June 1 (i.e., the effective dates of both Parts A and B).

Example #2: Jim celebrated his 65th birthday on April 10, 2018. Since he was still working and had insurance through his employer, he enrolled in Part A but delayed Part B. Upon retiring, he gets an 8-month Special Enrollment Period (SEP) to enroll in Part B. He retires and enrolls in Part B with coverage taking effect May 1, 2018. His ICEP to enroll in an MA plan, therefore, is from February 1-April 30, 2018. If he enrolls in a Medicare Advantage plan his coverage cannot take effect before May 1 (i.e., the date in which he has both Parts A **and** B.)

IMPORTANT NOTE: If your clients are new to Medicare and interested in joining a MA plan, it's important they understand the ICEP and the timeframe they have to enroll in a MA plan depending on their situation, as illustrated above.

Generally, any enrollment during the ICEP takes effect the first of the month following the month your client enrolled in the Medicare Advantage plan; however, the effective date cannot come before your client has both Medicare Parts A and B.

What if my client delays Part B enrollment? What happens to their ICEP?

It's likely that many of your clients will continue to work past the age of 65—meaning many may delay their Medicare Part B enrollment until later on when they retire or lose their employer health coverage. (Remember, they get an 8-month Special Enrollment Period to enroll in Part B upon retiring or losing employer health coverage. It's usually advisable to sign up for Part B in the months just before retirement so Part B will start in the month following retirement, leaving no gaps in health coverage. They can also sign up at any time while they are still working and covered by their employer group health insurance, if this makes sense to their particular situation.)

Regardless, it's important to help them understand that along with the 8-month SEP they have to enroll in Part B upon retiring or losing employer health coverage, they also get their ICEP at this time to enroll in a private Medicare Advantage plan. If they miss their ICEP at this point, they may have to wait until the next annual Open Enrollment Period (Oct. 15- Dec. 7) to enroll in a Medicare Advantage plan (see more about this below).

And what if my client decides not to join a Medicare Advantage plan when first enrolling in Medicare? When can they join if they decide to later on?

If your clients decide not to join a Medicare Advantage plan during the ICEP, they can still decide later on to enroll in a MA plan. They have this chance during the annual Open Enrollment Period for Part D and Medicare Advantage, which occurs each year in the fall. During this limited time (Oct. 15 to Dec. 7), your clients can enroll in a MA plan (or disenroll from a MA plan and return to Original Medicare), with any enrollment or changes in coverage taking effect January 1 of the following year.

And, if your clients decide not to join a Medicare Advantage plan during their initial or annual opportunity to enroll, they might still have a chance to enroll in a Medicare Advantage plan through a Special Enrollment Period (SEP). These are special circumstances in which a person with Medicare is allowed to enroll in a Medicare Advantage plan outside their initial and annual open enrollment periods. An example of a SEP would be if your client has moved and now lives within a new service area. Read more about [common Medicare Advantage Special Enrollment Periods](#).

What if my client wants to switch/disenroll from their current Medicare Advantage plan?

There are several opportunities for your clients who are enrolled in a Medicare Advantage plan to disenroll from their plan.

Beginning in 2019 and occurring annually thereafter, your clients will have an opportunity to disenroll from or switch Medicare Advantage plans during the newly reinstated Medicare Advantage Open Enrollment Period (OEP) running January 1 – March 31. This OEP replaces the previous Medicare Advantage Disenrollment Period, which only allowed people to leave MA and return to Original Medicare. The MA OEP is also applicable during the three-month window after a person first enrolls in a Medicare Advantage plan.

Note: If your client uses either the Annual Enrollment Period or MA OEP to go back to Original Medicare, it is important that they think about the various ways in which they can protect themselves from the costs associated with Original Medicare, such as deductibles, coinsurance, or copayments. They will also need to think about their prescription drug coverage.

If they do not take advantage of the MA OEP, your clients will have to wait until the next Annual Enrollment Period (Oct. 15 - Dec. 7) to disenroll from their current plan, with new coverage taking effect January 1. **However**, there are some limited opportunities throughout the year that may allow them to disenroll or switch plans sooner:

- **Medicare Advantage Special Enrollment Periods (SEPs):** Your clients who are enrolled in a Medicare Advantage plan may find, depending on their situation, a Special Enrollment Period that permits them to disenroll from their current plan such as the Medicare Advantage “Trial SEP,” or if they have limited income, or if they reside, move into, or move out of an institution. For more information on commonly occurring Medicare Advantage Special Enrollment Periods, browse [common Medicare Advantage Special Enrollment Periods](#).

What else should my clients keep in mind?

It’s also important for your clients to keep in mind the effect of joining a Medicare Advantage plan when they enroll in Medicare Part B and its relationship to the [Medigap Open Enrollment Period](#). That is, they get the trial disenrollment right with regard to Medicare Advantage and an associated Special Enrollment Period for ANY Medigap policy.

References

See the Centers for Medicare & Medicaid Services (CMS) Tip Sheet, *Understanding Medicare Parts C and D Enrollment Periods*, ([Pub No 11219](#))

See the [CMS fact sheet](#) dated April 2, 2018, which explains the newly reinstated Medicare Advantage Open Enrollment Period.