

## Medicare Advantage: Special Enrollment Periods

While people with Medicare Advantage (MA) generally must remain in the plan they enrolled in for the remainder of the year, the MA Open Enrollment Period and/or a qualifying Special Enrollment Period (SEP) provide potential opportunities to change plans.

### Medicare Advantage Open Enrollment Period (MA OEP)

The annual MA OEP replaced the previous Medicare Advantage Disenrollment Period and runs January 1 - March 31 each year. The MA OEP allows individuals enrolled in a Medicare Advantage plan as of January 1 to make a one-time election to another MA plan or return to Original Medicare and a stand-alone Medicare Part D plan. This enrollment period does not allow for Part D changes for individuals enrolled in Original Medicare.

Additionally, new Medicare beneficiaries who enroll in an MA plan during the first three months they have Medicare have an individualized three-month MA OEP to switch to another MA plan or return to Original Medicare and a stand-alone Medicare Part D plan.

### Medicare Advantage “Trial Period” Special Enrollment Period (SEP)

People who enroll in a Medicare Advantage plan when they are first eligible for Medicare Part A at age 65 get a “trial period” (up to 12 months) to try out Medicare Advantage. This SEP allows them to disenroll from their first Medicare Advantage plan and go to Original Medicare. At this time, they also get a “guaranteed issue right” to purchase a Medigap supplemental plan. Under federal law this right lasts for 63 days after disenrollment from the MA plan. (They also get a Special Enrollment Period to join a Part D plan.)

**Note:** If your clients had dropped a Medigap policy to enroll in a Medicare Advantage plan for the first time after age 65, they also have this SEP to go to Original Medicare. Again, they have up to 12 months with this SEP to change their minds and disenroll from their first MA plan. If they disenroll they have a “guaranteed issue” right for **63 days** to Medigap; however, it is limited. Federal law allows them to buy back their previous Medigap policy *if it is still available*. If that Medigap policy is no longer available, they are allowed to buy Medigap plans

A, B, D, G, K, or L from any insurance company that sells it in their state.<sup>1</sup> (Some state laws are more generous with regard to guaranteed issue rights, so it is wise to check with your state insurance department regarding their Medigap rules.)

And, if your clients were in a Medicare Advantage plan with prescription drug coverage (MA-PD), they also get a coordinating Part D SEP that allows them to join a PDP. For more info, see [Common Part D Special Enrollment Periods](#).

Note, by joining the PDP, they will be automatically disenrolled from the MA-PD.

This SEP begins when the person first joins the Medicare Advantage plan and lasts up to 12 months. The Original Medicare and the PDP enrollment (if applicable) take effect on the first day of the month following the month in which the SEP was used.

### **Medicare Advantage SEPs for People with Limited Income**

There are three commonly used Special Enrollment Periods for Medicare Advantage enrollees who have limited income and resources.

#### *Medicare Advantage Dual SEP*

This SEP for duals can be used by anyone with Medicare who has any kind of Medicaid — whether it's full Medicaid or enrollment in one of the Medicare Savings Programs. This SEP allows people who are dually entitled to Medicare and Medicaid to enroll, disenroll, or switch to another Medicare Advantage plan once per month during the first three quarters of the year, with the new election becoming effective on the first day of the next month. The SEP is considered “used” based on the date of the enrollment request. For example, if a plan receives an application during the month of March, the application is effective date is April 1 but the SEP is “used” for the first quarter, not the second quarter. During the fourth quarter, duals wishing to change plans must take advantage of the Annual Enrollment Period (Oct. 15 – Dec. 7), with their changes becoming effective January 1 of the following year. Remember: Duals are not allowed to join Medicare Savings Account plans (MSAs).

The SEP for duals starts when someone becomes dually entitled to any Medicaid-administered program. The SEP ends two months after the person loses their Medicaid

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<sup>1</sup> Beginning in 2020, plans C and F, which were previously on this list, are no longer eligible for enrollment to persons first eligible for Medicare after Jan. 1, 2020 and thus have been swapped with plans D and G.

entitlement. Enrollment in the new plan is effective the first day of the month following enrollment, except for elections made during the AEP.

#### *Medicare Advantage Low-Income Subsidy (LIS)/Extra Help SEP*

This SEP is for people who applied for and were found eligible by the Social Security Administration for the Part D low-income subsidy (LIS)/Extra Help. This SEP allows people who are dually entitled to Medicare and Medicaid to enroll, disenroll, or switch to another MA plan once per month during the first three quarters of the year, with the new election becoming effective on the first day of the next month. The SEP is considered “used” based on the date of the enrollment request. For example, if a plan receives an application during the month of March, the application is effective date is April 1 but the SEP is “used” for the first quarter, not the second quarter. During the fourth quarter, duals wishing to change plans must take advantage of the Annual Enrollment Period (Oct. 15 – Dec. 7), with their changes becoming effective Jan. 1 of the following year. The Part D plan can be an MA-PD (Medicare Advantage plan with prescription drug coverage) or a stand-alone PDP (Prescription Drug Plan).

The LIS/Extra Help SEP starts the month someone is found eligible for Extra Help. It ends two months after the person loses their Extra Help status. Enrollment in the new plan is effective the first day of the month following enrollment, except for elections made during the AEP.

#### *Medicare Advantage State Pharmaceutical Assistance Program (SPAP) SEP*

This SEP may be used in the states with State Pharmaceutical Assistance Programs (SPAPs). SPAP participants can use this SEP to join or switch to another Part D plan (a PDP or an MA-PD). This SEP was intended to give new SPAP participants an opportunity to join or switch to another Part D plan when their SPAP enrollment takes effect.

This SEP may be used once per calendar year, with the new plan taking effect on the first day of the month following enrollment.

### **Medicare Advantage SEP to Coordinate with Part D**

There are two commonly used Special Enrollment Periods that allow a person to disenroll from a Medicare Advantage plan and enroll in a Part D prescription drug plan.

### *Medicare Advantage SEP 65*

This SEP allows people who join a Medicare Advantage plan (excluding a Medical Savings Account) *at age 65* during their Medicare Initial Enrollment Period (IEP) to disenroll from that MA plan and go to Original Medicare.

If they joined a Medicare Advantage plan with prescription drug coverage (an MA-PD), they may exercise this SEP by enrolling in a stand-alone Prescription Drug Plan (PDP).

**Note:** Your clients who use SEP 65 should also consider supplementing Medicare, either by applying for the Qualified Medicare Beneficiary Program (QMB) if they are eligible, or by purchasing a Medigap policy. They have a right guaranteed by federal law to purchase any Medigap policy, since this SEP has the effect of extending their Medigap Open Enrollment Period.

This SEP may be used at any time within the first calendar year (12 months) after joining a Medicare Advantage plan at age 65. Original Medicare and the PDP enrollment (if applicable) take effect on the first day of the month following the month in which the SEP was used.

### *Medicare Advantage SEP to Coordinate with Subsequent Part D Initial Enrollment Period (IEP)*

People who are under 65 and have Medicare because of a disability get an additional Part D Initial Enrollment Period (IEP) when they turn 65. This SEP allows them to coordinate with the additional Part D IEP. They can use this SEP to disenroll from an MA-only or an MA-PD and return to Original Medicare *or* enroll in an MA-only plan, regardless if they use the Part D IEP to enroll in a PDP.

The SEP begins and ends concurrently with the additional Part D IEP.

### **Medicare Advantage SEPs to Remedy Erroneous Enrollments**

There are two Special Enrollment Periods that may help some of your clients deal with erroneous Medicare Advantage enrollment. One of these SEPs covers incomplete and unintended enrollments; the other covers enrollments caused by the action, inaction, or error of a federal employee.

These SEPs can be used by your clients to disenroll from a plan they never wanted to be in but were enrolled through the abuse or fraud of MA plan marketers. It is used to

undo a disenrollment action that kept your clients from enrolling in a plan (so that an enrollment period election can be used to join a plan), and even to secure retroactive enrollment into another plan. Usually this would mean re-enrollment into the plan your client was in before the unintended or erroneous enrollment.

### *Medicare Advantage Enrollment Not Legally Valid SEP*

This SEP may be used when a Medicare Advantage plan enrollment was not complete. An enrollment might not be complete, for example, if it was not signed by the beneficiary. One of the most notable examples of an incomplete and consequently invalid enrollment is one your client did not intend to make.

For example, if your client thought she was buying a Medigap policy or enrolling in a Medicaid managed care plan with a similar name, she never had the intent to join the Medicare Advantage plan. She should be able to use this SEP.

Generally, this SEP involves a disenrollment from the plan into which the person was mistakenly enrolled and re-enrollment back into the prior Part D plan. In order to prevent a gap in Part D coverage, the re-enrollment might be made retroactive by the Centers for Medicare & Medicaid Services (CMS) to place your client back in the situation she never intended to switch out of.

This SEP usually involves CMS using its discretion to decide whether an enrollment is incomplete. The timing of the disenrollment and re-enrollment will be determined by CMS. In general, once somebody establishes that the enrollment was not complete, including decisions that enrollments were not intended, CMS will time disenrollment and re-enrollment back to the prior plan so that the individual experiences no gap in Part D coverage.

### *Medicare Advantage Federal Error SEP*

Nobody is perfect—federal employee error can cause a Part D plan enrollment that should not have happened. Federal errors might also prevent an intended enrollment into a Part D plan. CMS decides on a case-by-case basis whether to approve this SEP, which permits enrollment into or disenrollment from a Medicare Advantage plan with prescription drug coverage (MA-PD).

This SEP begins in the month CMS tells a beneficiary the SEP has been granted and

ends two months later. Enrollment in the new plan is effective the first day of the month following enrollment.

### *SEP for Other Exceptional Circumstances*

On a case-by-case basis, CMS will establish an SEP for individuals whom CMS determines to have experienced exceptional circumstances related to enrollment into or disenrollment from an MA plan that are not otherwise captured in regulation.

Individuals may make a request for an exception to the current enrollment rules, or CMS can make a determination that an exception is warranted for a group of beneficiaries.

CMS will review supporting details and documentation to determine eligibility for the SEP for exceptional circumstances. The SEP would take effect once CMS makes its determination and the enrollee has been notified. The effective date for an enrollment or disenrollment election would be based on the beneficiary's circumstances and may be either prospective or retroactive.

**Easing enrollment into Medicare Advantage plans:** Medicare allows pre-approved health insurance plan sponsors to automatically move individuals enrolled in one of their plans into that sponsor's MA plan once the individual becomes eligible for Medicare. This process is called "seamless conversion." This default enrollment is only for Medicaid managed care enrollees who are newly eligible for Medicare and who are enrolled into a Dual Eligible Special Needs Plan (D-SNP) or a Fully Integrated Dual Eligible Special Needs Plan (FIDE-SNP) administered by an MA organization (under the same parent organization that operates the Medicaid managed care plan). Plans are required to inform the individual at least 60 days prior to the conversion, and persons who do not wish to enroll in the MA plan must actively opt out of the seamless conversion.

Additionally, CMS in consultation with Medicaid, may passively enroll full-benefit duals enrolled in a non-renewing integrated D-SNP into comparable D-SNP. Individuals enrolled through passive enrollment, have a three-month SEP to disenroll from their assigned plan and enroll into a different plan.

### **Medicare Advantage SEPs Based on Residence**

There are two commonly used Special Enrollment Periods for people enrolled in Medicare Advantage related to where they live or relocate to.

### *Medicare Advantage Relocation SEP*

This SEP is for Medicare beneficiaries who, as a result of a permanent move, are no longer eligible to belong to their Medicare Advantage plan, *or* even if they are still eligible to remain in the plan, they will have new MA or Part D plan options available to them as a result of the move. (Generally, new plan options become available only upon moves to another state.)

Generally, plan members are responsible for notifying the current plan about a permanent move. Upon such notification, the SEP begins the month before the move and continues until two months after the move. Upon selecting a new plan, the beneficiary can choose an effective date of up to three months after the month the enrollment was submitted.

**Example #1:** Mrs. J. is moving from New Jersey to Utah. In May 2020 she notifies her New Jersey MA-PD (Medicare Advantage plan with Prescription Drug coverage) that she will be moving on July 6, 2020. She also researches her options, picks a Utah MA-PD and designates July as the month she wants the Utah MA-PD to make her plan enrollment effective. She should receive her new plan enrollment materials, including her membership card, before July 1. Remember, she will be able to get transition fills if she needs these once she arrives in Utah in July.

**Example #2:** If Mrs. J was relocating from Massachusetts to New Hampshire then new plan options would become available to her. She could decide to use this SEP to enroll in a new Medicare Advantage *or* PDP (Prescription Drug Plan), even if her old Medicare Advantage plan was a Regional MA-PD and would still be available to her.

**Note:** Since Mrs. J had been in an MA-PD prior to her move she *must* elect an MA-PD or a PDP in her new home state. This SEP does not allow her to change her Part D status by either picking up or completely dropping out of Part D.

*What would happen if beneficiaries such as Mrs. J in the example above did not notify their current MA-PD plan about their move in advance?*

If Mrs. J moved outside of the area served by her MA-PD plan, the plan is required to involuntarily disenroll her once she has been permanently residing elsewhere and gone from her previous home for 6 months.

The plan would likely learn of the relocation either from the Postal Service, due to returned mail, or from CMS if Mrs. J succeeded in enrolling in a plan following her move. The plan must notify beneficiaries about involuntary disenrollment but note that the plan may not have access to a current address. The SEP begins in the 6th month, when the prior plan disenrolls the beneficiary and lasts through the 8th month following the move.

### *Medicare Advantage SEP for Individuals Affected by a Government Entity-Declared Disaster or Emergency*

A SEP exists for individuals affected by a disaster or other emergency declared by a federal, state, or local government entity when those individuals were entitled to but unable to complete a valid election to enroll, disenroll, or switch Medicare Advantage plans. The SEP is available to individuals that reside in an area of the disaster and to individuals who do not live in the affected areas but rely on help making healthcare decisions for friends or family members who live in the affected areas.

The SEP starts as of the date the declaration is made, the incident start date or, if different, the start date identified in the declaration, whichever is earlier. The SEP ends 2 full calendar months following the end date identified in the declaration or, if different, the date the end of the incident is announced, whichever is later.

### *Medicare Advantage SEP for Institutionalized Individuals*

The Medicare Advantage Open Enrollment Period (or OEPI) that allows nursing home residents and others residing in residential long-term care facilities to enroll or switch Medicare Advantage plans is similar to the Part D SEP for institutionalized beneficiaries.

The OEPI allows beneficiaries with Medicare Parts A and B who move into, reside in, or are discharged from certain long-term care facilities to join or disenroll from a Medicare Advantage plan. People eligible for the OEPI may join a Medicare Advantage plan, switch to a different Medicare Advantage plan or disenroll from Medicare Advantage and go to Original Medicare. They are not allowed to change their Part D status using the OEPI. If they previously had Part D, they must join an MA-PD or a PDP. If they did not previously have Part D, they are not allowed to join an MA-PD nor a PDP.

Specifically, this SEP can be used by people in nursing homes, psychiatric hospitals, rehabilitation hospitals, long-term care hospitals, and swing beds. The OEPI also is applicable to individuals who are admitted to a skilled nursing facility in which they can



join a Special Needs Plan (SNP) for institutionalized individuals. The SEP may be used to enroll or disenroll from an applicable institutional SNP.

This SEP begins in the month of admission and continues for up to two months following discharge. Unlike the PDP SEP for institutionalized persons, the OEPI may be used repeatedly to switch plans as frequently as monthly (although this would not be a recommended practice).

### *Medicare Advantage 5-Star SEP*

If a Medicare Advantage Plan or a Medicare cost plan with a 5-star rating is available in your area, you can use the 5-star Special Enrollment Period to switch from your current Medicare plan to a Medicare plan with a “5-star” performance rating. You can use this SEP only once between Dec. 8 and Nov. 30.

If you move from a Medicare Advantage plan that includes prescription drug coverage to a stand-alone Medicare Part D plan, you’ll be disenrolled from your MA plan, including the health benefit, and returned to Original Medicare for coverage of your health services. You can only switch to a 5-star Medicare Part D if one is available in your area.

If you move from a Medicare Advantage plan that has drug coverage to a 5-star Medicare Advantage plan that doesn’t, you may lose your prescription drug coverage. You’ll have to wait until your next enrollment opportunity to get drug coverage, and you may have to pay a Part D late enrollment penalty.

### **References**

You can find a complete explanation of all Medicare Advantage SEPs in the Center for Medicare & Medicaid Services (CMS) Medicare Managed Care Manual, Chapter 2 – *Medicare Advantage Enrollment and Disenrollment*, Section 30.4, *Special Election Period (SEP)*. (Updated August 2020)

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