What Medigap insurance protections are there for those enrolled in the Medicare Advantage program?

Medicare Advantage expands the types of health plans that can contract with Medicare to enroll beneficiaries.

A person who currently has a Medigap policy may enroll in a Medicare Advantage plan and can keep the Medigap policy after enrollment. Keeping the Medigap policy may give a person time to determine whether to stay in the Medicare Advantage plan or return to the original Medicare plan with Medigap insurance. However, expenses paid for by the Medicare Advantage plan will not be reimbursed by the Medigap insurer. Eventually the person should drop Medigap coverage if satisfied with the Medicare Advantage plan.

A person already enrolled in a Medicare Advantage plan cannot buy Medigap insurance but may have the right to purchase a Medigap policy by returning to the original fee-for-service Medicare program (Parts A and B). To be guaranteed the right to buy Medigap insurance, the person must have enrolled in the Medicare Advantage plan at age sixty-five, must terminate enrollment in the Medicare Advantage plan within twelve months of entry into that plan, and must not have had any previous enrollment in a Medicare managed care plan.

If a Medicare Advantage plan terminates coverage because it leaves the Medicare program, plan enrollees have certain rights to new coverage, but these are time-limited. The Medicare Advantage plan is required to provide information to assist making a decision about enrolling in another Medicare Advantage plan or switching to original Medicare Parts A and B with a Medigap policy to supplement the coverage. In general, most individuals with Medicare have the right to guaranteed issue of any Medigap policies designated A, B, C, or F that are offered to new enrollees by issuers in the state.

This right applies to individuals by virtue of the involuntary termination of their coverage. However, certain Medicare beneficiaries in terminating Medicare Advantage plans may have another basis for entitlement to guaranteed issue of a Medigap policy. If a person had been enrolled in the Medicare Advantage plan for fewer than twelve months, was never enrolled in any other Medicare HMO, and had a previous Medigap policy, that person may return to the former Medigap policy if the previous Medigap insurance company still sells the policy in the state.

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If that coverage is not available under the previous Medigap policy, the individual may purchase Medigap polices A, B, C, or F from any insurer that sells these policies in the state.

The insurance company selling the policy may not (1) deny or condition the sale of the policy, (2) discriminate in the pricing of the policy because of health status, prior history of claims experience, receipt of health care for a medical condition, or (3) impose an exclusion for any pre-existing condition.

But the individual has only sixty-three days after coverage ends to select a Medigap insurer. Also, if the individual moves outside the Medicare Advantage plan’s service area, that person has sixty-three days to select a Medigap insurer.

An individual is guaranteed issuance of *any* Medigap policy if (1) at least sixty-five years old, (2) eligible for Medicare, (3) enrolled in a Medicare Advantage plan, and (4) disenrolled from that plan within twelve months of the effective date of enrollment.