

Published on *VirginiaNavigator* (<https://virgini navigator.org>)

Medicare Open Enrollment: Everything You Need to Know

When it starts, when it ends, and how it works for original Medicare and Medicare Advantage

Once a year Medicare gives its nearly 66 million beneficiaries a chance to step back, review their coverage and make any changes that will help them get the best out of the federal government's health insurance program for adults age 65 and over and people with disabilities.

But experts say too many enrollees overlook this annual opportunity to possibly save money and improve their coverage.

“Most people don’t pay much attention to the open enrollment period and that can come at a cost,” says Tricia Neuman, senior vice president of the Kaiser Family Foundation and executive director of its Program on Medicare Policy. Neuman says beneficiaries can save hundreds or even thousands of dollars by, for example, finding a prescription drug or Medicare Advantage plan that better meets their needs.

When is Medicare open enrollment?

Medicare open enrollment starts each year on October 15 and ends December 7. You can make changes that will go into effect the following year. There are other important Medicare [enrollment periods](#), including the initial enrollment period (IEP) around the time you turn 65 and a special enrollment period (SEP) if you lose employer-based health coverage after age 65.

Knowing when Medicare open enrollment starts is the easy part — how to start the process can be more daunting. Here’s practical advice on what to review about your coverage and what changes you can make. Your options are different depending on whether you are enrolled in original Medicare or a Medicare Advantage (MA) private

insurance plan.

Original Medicare open enrollment basics

Original Medicare consists of [Part A \(hospital coverage\)](#) and [Part B \(doctor and outpatient services\)](#). You'll also want to consider a stand-alone Part D drug plan that helps pay for prescription medications. There are monthly premiums for Part B and Part D; most people don't pay a premium for Part A.

Doctors and drugs. Since Part A and Part B are standard for all Medicare beneficiaries, there's nothing for you to change with this coverage. You can go to any doctor or facility that accepts Medicare. Part D plans vary, however, so this is an opportune time to review your drug coverage and change plans, or add a Part D plan if you don't have one yet. You can even switch from original Medicare to a private Medicare Advantage plan during open enrollment if you choose. (More below.)

It's also an opportune time to confirm that your preferred doctors and medical facilities will continue to accept Medicare in the new year. Odds are they will — experts estimate that more than 90 percent of doctors participate in the program and the vast majority of hospitals do as well — but it never hurts to ask.

Supplemental insurance. Original Medicare doesn't pay for everything. Under Part B, for example, you are responsible for 20 percent of the cost of a doctor visit or lab test. Medicare supplemental insurance, also known as [Medigap](#) insurance, helps pay for uncovered expenses, including some copays and coinsurance. Supplemental insurance is optional and not subject to the open enrollment period. You can buy a Medigap policy at any time during the year. And you can change your Medigap coverage at any time during the year.

However, there's something critically important to know about changing your Medigap policy: Insurers handling this coverage can't turn you down for a policy within six months of your being eligible for Medicare, even if you have a chronic medical condition, are overweight, are a smoker or have any other illness. That's called a guaranteed issue rule. But once that initial sign-up period is over, these companies can either refuse to sell you a policy or charge you a much higher premium. And that goes for your ability to change policies once you have one. There are four states — Connecticut, Maine, Massachusetts and New York — with laws that require insurers to sell you a Medigap policy all the time or at least once a year.

Neuman points out that if you do not have any preexisting conditions, you probably can change Medigap policies without paying more. It's worth checking out if you aren't satisfied with your current supplemental plan.

Also, if you left your job or retired you may have enrolled in COBRA (the stopgap coverage for people who lose their coverage due to job loss) or a retiree health plan through your employer or labor union. If your COBRA coverage ends or your retiree coverage goes away, you'll have 63 days to buy a Medigap policy under the government's guarantee issue rule.

Medicare Advantage open enrollment basics

Medicare Advantage, also known as Part C, is a [private insurance alternative](#) to original Medicare that bundles together Parts A, B and (usually) D. Think of it as a one-stop-shop option, unlike original Medicare, which requires you to shop around for separate drug coverage and supplemental insurance.

Read your letter. Every September, Medicare Advantage plans are required to send their members a letter called the Annual Notice of Change. This letter will detail changes the plan is making starting in January, such as to benefits, costs or the geographical area the plan covers.

You'll want to use this information as you decide whether to stay with your current MA plan, change to a different MA plan or switch instead to original Medicare.

Special open enrollment period for MA plans. If you are already in an MA plan, you'll have some extra time to decide what to do. The special open enrollment period runs from January 1 through March 31. During this window you can switch from one MA plan to another or to original Medicare. If you switch to original Medicare, you'll also be able to get a stand-alone Part D prescription drug plan. This special period only applies to people who already have an MA plan.

Going to the doctor or hospital. Pay careful attention during open enrollment if you have a [Medicare Advantage](#) plan. Most MA plans are organized around networks of physicians and other medical providers, including hospitals. If you use in-network practitioners, you'll pay less than if you see providers outside of your plan's network.

During open enrollment, you need to check the provider directories of your MA plan to make sure that your doctors are still in the plan. If not, you might want to

consider changing plans, depending on how important it is to you that you continue to see specific medical professionals.

If you've had a significant change to your health status, such as a serious illness like cancer, you'll want to confirm whether the physicians and medical centers you need to help you through this illness are available to you in network under your current plan. Otherwise, you run the risk of facing big out-of-network bills.

Medicare open enrollment and prescription drugs

Medicare beneficiaries get their [prescription drugs](#) in one of two ways: through a stand-alone Part D prescription drug plan or as part of their Medicare Advantage plan.

A common check for both options during open enrollment should be whether the medications you take are still covered under your current plan — and at what cost. Beneficiaries should also look at what pharmacies are preferred by your current plan and whether those still are most convenient for you. You should also look at whether you can save money by getting your drugs through the mail and whether your plan offers that.

“People may take time to choose a drug plan when they first go on Medicare and stick with it then for years to come,” says Neuman. “But sticking with a plan can come at a cost because drug plans do change from one year to the next, and people’s drug needs change over time. We’ve seen people save hundreds if not thousands of dollars by comparing plans.”

How much Medicare beneficiaries will have to pay out of pocket for prescriptions will be changing thanks to the [Inflation Reduction Act of 2022](#). Currently, people who reach a certain level of out-of-pocket spending on prescription drugs — the threshold is \$7,400 for 2023 — enter what’s referred to as “catastrophic” coverage and owe 5 percent of the costs above that level. Beginning in 2024, people with catastrophic Rx costs will not have any additional out-of-pocket costs once they’ve reached the threshold level. Then, starting in 2025, out-of-pocket prescription drug costs will be capped at \$2,000 year.

People who get their medications as part of their Medicare Advantage plan aren’t able to choose a stand-alone drug plan, Neuman cautions. “They get whatever drug

coverage that plan provides.” That means that as people think about whether to remain with their current MA plan or switch plans, she says, they should also look at the specific prescription drug coverage built into their MA plan.

Switching between Medicare options

Here’s what to consider if you are thinking about switching from one Medicare option to another during open enrollment:

- **Switching from original Medicare to a Medicare Advantage plan.** Make sure your providers are covered in network in the MA plan you select. Also be aware that you will likely be subject to more management of your care: Some plans will require referrals to specialists, and MA plans often require prior authorization from the plan for some diagnostic tests and other services.
- **Switching from Medicare Advantage back to original Medicare.** The rules let you do this, but there’s a big caveat: If you want to go back to original Medicare, you may not be able to get a supplemental (Medigap) plan — or at least one that’s affordable — that helps you pay for some out-of-pocket costs under original Medicare.
- **Switching between MA plans.** This is the time of year for you to take a hard look at your current Medicare Advantage plan and shop around to see if there might be a plan where you live that will better suit your needs and your pocketbook.

Financial assistance if you can’t afford Medicare

If you are having trouble affording your Medicare premiums, copays and other out-of-pocket costs, the federal government has four [Medicare Savings Programs](#) that provide help for people with limited incomes. There is also a program called Extra Help that assists beneficiaries with their out-of-pocket costs for prescription drugs. Even if you haven’t qualified for these programs before, the open enrollment period is a good time to check to see if your financial circumstances now allow you to qualify.

The [Inflation Reduction Act](#) also may soon come into play. Beginning in 2024, Medicare beneficiaries with annual incomes of up to 150 percent of the federal poverty limit (\$20,870 for an individual in 2023) who also meet the program’s resources limit can qualify for full benefits under the Extra Help program. The income threshold for full

benefits currently is 135 percent of the federal poverty guidelines (\$14,580 for an individual in 2023). How to get help picking a Medicare Plan

Beneficiaries can compare plans and change their enrollment by going to www.medicare.gov. During the open enrollment period, there is also live chat assistance on the website.

In addition, Medicare has a 24-hour, seven-day-a-week hotline where representatives can answer your open enrollment questions. That toll-free number is 800-633-4227. Also, every state has a State Health Insurance Program (SHIP) with counselors who can help answer your questions.

----- Written by Dena Bunis, AARP, Published September 22, 2022 | Updated September 7, 2023

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Article Source

AARP

Source URL

<https://www.aarp.org>

Last Reviewed

Wednesday, April 3, 2024